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CONSUMER
BANKERS
ASSOCIATION

1992 HOME EQUITY LOAN STUDY

AN
ANALYSIS
OF THE
DECEMBER
1991
SURVEY

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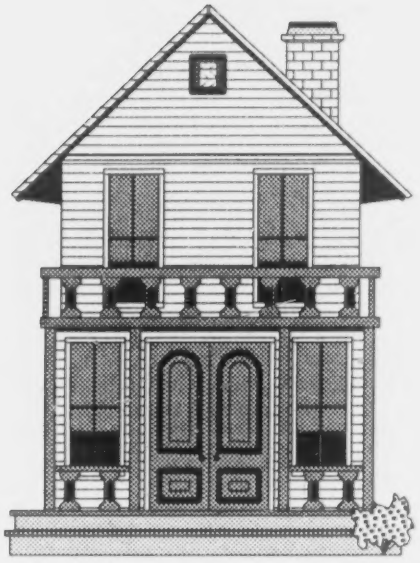

1992

HOME LENDING SURVEY

FOR YEAR END 1991

by

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Introduction

The sixth annual survey of home equity lending documents the continued, phenomenal growth of home equity loans in the United States. This year's survey details the growth and use of home equity **open-end** lines (revolving credit), home equity **closed-end** loans. It is a national, comprehensive survey of 1991 home equity lending products.

Home equity **open-end** lending increased by 11.9 percent at the median lender in 1991. We are reporting the median statistic because the mean was skewed by a very large percentage growth at four of the lenders. The median increase in **closed-end** lending was 3 percent in 1991.

Thirty percent of all consumer credit (excluding unsecured credit cards) at responding institutions was home equity **open-end** credit in 1991. It represented 26 percent in 1990, 28 percent in 1989, 29 percent in 1988, and 25 percent of consumer credit in 1987. **Closed-end** loans represented 16 percent of all consumer credit at the average lender in 1991. It has remained at approximately 16 percent for the last three years. If **closed-end** loans were included, home equity credit would represent 46 percent of all consumer credit (except unsecured credit cards) in 1991. Thus, home equity credit now represents almost half of all consumer credit. Home equity credit as a percent of consumer credit was 42 percent in 1990.

Almost 96 percent of the lenders in this study offered **open-end** lines. Eighty-nine percent of the lenders offered **closed-end** loans.

Objectives

The Study's objectives are the following:

1. Analyze total consumer credit outstanding (excluding unsecured credit cards).
2. Describe an institution's typical portfolio within the home equity product. This includes **open-end** and **closed-end**, as well as fixed and variable rate loans/lines.
3. Analyze the approval process on home equity products.
4. Evaluate the characteristics of variable rate home equity products.
5. Analyze the servicing of home equity products by reviewing policies, primary uses of home equity credit by borrowers, delinquencies, and foreclosures.
6. Profile the average customer and evaluate home equity loan market activities among different institutions.
7. Discuss the basic demographics of institutions presently marketing home equity products.
8. Provide home equity analysis in aggregate form, as well as by size of institution, by institution, and by region.

Methodology and Sample

On behalf of the Consumer Bankers Association, the Center for Financial Services Studies of the McIntire School of Commerce, University of Virginia, sent questionnaires to 653 commercial banks and thrifts (mutual savings banks, savings and loan associations, credit unions, mortgage companies, and finance companies). The questionnaire was developed over a six year period with eight revisions. The survey covered a stratified systematic sample of financial institutions in the United States that had assets of at least $100 million. Each institution received the fourteen-page questionnaire during January, 1992. This resulted in 106 usable responses prior to the deadline or 16 percent of the total mailing.

Characteristics of Respondents

The 106 respondents were regionally representative of financial institutions in the United States that have assets of $100 million or more. Exhibit 1 (pgs. 19 - 21) depicts some of the statistical characteristics of the responding lenders. Assets of the survey participants totaled $726 billion, and consumer loan portfolios (excluding unsecured credit cards) amounted to $149 billion. More pertinent to this study was the finding that these institutions reported a total of 1,054,941 approved home equity **open-end** lines, amounting to $36.4 billion in home equity, **open-end** approved credit, and 846,859 home equity **closed-end** loans, totaling $18.1 billion in home equity **closed-end** credit.

The average asset size of responding institutions was $7.1 billion. Assets at the average lender had a growth rate of 6 percent in 1991 which was approximately one percentage point below the growth rate of 1990. The average bank's growth rate was approximately the same in both years; however, the average thrift's growth rate dropped by more than 50 percent in 1991. The median number of branches in 1991 was 122. The average lender's return on assets was 1.01 percent in 1991, up from .97 in 1990.

The data were analyzed on an aggregate basis as well as by region, size, and type of institution. On a geographic basis, the responses were broken down into four of the Census Bureau's regions: Northeast, South, Midwest and West. However, fifteen of the lenders were in more than one region so their data were not categorized by a region.

In terms of asset size, the three categories used were: Group I (less than $1 Billion in assets), Group II ($1 billion to $5 billion in assets), and Group III ($5 billion or more in assets).

These data were also categorized by commercial bank versus thrift (credit unions, mortgage companies, savings banks and savings and loan associations). The study examined 84 commercial banks and 22 thrifts, including four finance companies and two mortgage companies. In many cases the mean and the median statistic will be presented in the exhibits. The mean is commonly called the average and it is simply the sum of all the data divided by the number of respondents for that question. The median is the middle respondent for that question. If there were one hundred respondents for a question, and if the data were arranged from the smallest number to the largest number, then the median would be the fiftieth number in the array. The median is often a better

measure for the middle of the data than the mean because it is not influenced by the extremes of the data.

Home Equity Lending

The average lender had 10,682 **open-end** lines and 9,847 **closed-end** loans as of December 31, 1991 (Exhibit 2, pgs. 22 - 24). The average lender had a total **open-end** approved credit of $379,628,486 in 1991. However, only 9,238 **open-end** lines (87.5 percent of all **open-end** lines) were actually in use as of the end of 1991. The percentage of **open-end** lines actually in use increased from 80 percent in 1990. The average amount of **open-end** credit in use at the end of 1991 was $220,067,000. The average lender reported that 59.5 percent of its approved **open-end** credit was outstanding at the end of 1991. The percentage of outstanding credit was 52 percent in 1990. (Exhibit 3, pgs. 25 - 27). The percent of **open-end** lines in use and the percent of the amount of approved dollars of **open-end** credit in use increased in 1991.

There were 9,847 **closed-end** loans at the average lender. The average lender had a total of $217,887,487 of **closed-end** loans in 1991.

The importance of home equity lending to the average bank dropped in 1991. Most of the decrease in importance was due to a relative drop in **closed-end** lending. The average bank had 39 percent of its consumer credit in home equity credit in 1991 as compared to 44 percent in 1990 and 39 percent in 1989. **Open-end** home equity credit represented 29 percent in 1991 as compared to 28 percent of the bank's consumer credit in 1990 and 24 percent in 1989. **Closed-end** loans represented 11 percent of the average commercial bank consumer credit in 1991 as compared to 16 percent in 1990 and 15 percent in 1989.

Home equity lending made up a greater percentage of the average thrift's consumer credit portfolio than that of the average commercial bank's portfolio. **Open-end** credit represented 36 percent of an average thrift's consumer credit portfolio (excluding unsecured credit cards) as compared to 29 percent of an average commercial banks' portfolio. Home equity credit in aggregate (**open-end** and **closed-end** credit) represented 56 percent of consumer credit at the average thrift and 39 percent at the average bank. Although, home equity lending increased in 1991, all of the **open-end** lenders in this survey began lending before 1989 (Figure 1). There were two additional **closed-end** lenders in 1990 and 1991.

Figure 1

Growth in new Home Equity Open-End competitors took place between 1983-1987.

New Home Equity Lending

The average financial institution approved 2,172 new home equity **open-end** lines in 1991 for an additional amount of **open-end** credit of $83,966,796 (Exhibit 4, pgs. 28 - 30). These numbers were up from 1,908 new lines and $80,571,740 new **open-end** credit in 1990. The average new home equity **open-end** line was for $32,572 in 1991. The new **open-end** lines were, on average, slightly larger than the average existing **open-end** lines of $32,095.

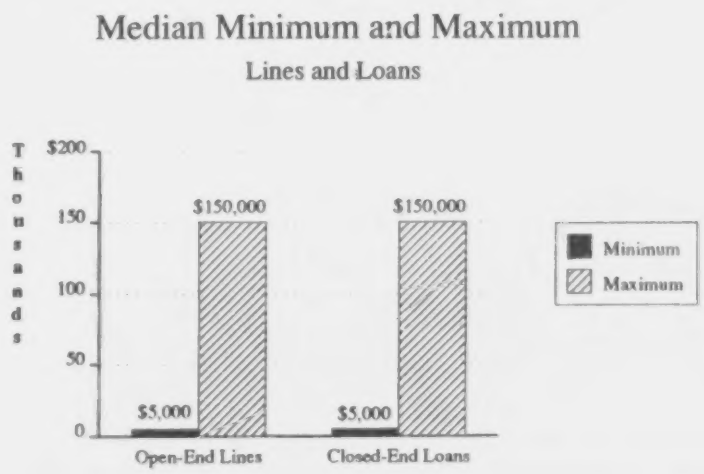
The average lender booked more home equity **open-end** lines than **closed-end** loans in 1991 (Exhibits 4, 5, & 6, pgs. 28 - 36). The average lender approved 2,213 new **closed-end** loans in 1991 as compared to 2,172 new **open-end** lines. The average amount of **closed-end** loans booked in 1991 was $59,204,776. In comparison, the average amount of **open-end** lines booked in 1991 was $83,966,796. The average **open-end** line was larger than the average **closed-end** loan. Thus there were more **closed-end** loans than **open-end** lines approved in 1991, but more **open-end** dollars of credit than **closed-end** credit.

The average **closed-end** loan booked in 1991 was $26,301, as compared to $22,958 for the average newly approved **closed-end** loan in 1990 (Exhibit 6, pgs. 34 - 36). The average newly originated **closed-end** loans in 1990 were larger than the average of all **closed-end** loans ($26,301 versus $20,445). This was expected since some of the existing **closed-end** principal has been repaid.

Both the average new **open-end** lines and average **closed-end** loans were larger than the **open-end** lines and **closed-end** loans originated in 1990. The average **open-end** line booked in 1991 was 2.5 percent larger than the average **open-end** line booked in 1990. The average **closed-end** loan booked in 1991 was 14.6 percent larger than the average new **closed-end** loan in 1990.

The average minimum **open-end** line was $7,119 in 1991. The average maximum **open-end** line was $246,212. The median minimum **open-end** line was $5,000 and the median minimum **closed-end** loan was also $5,000. The median maximum **open-end** line was $150,000 which was the same as the median maximum **closed-end** loan in 1991. The median maximum **open-end** lines in 1991 was up from $100,000 in 1990. The average minimum for **closed-end** loans was $5,632 and the average maximum **closed-end** loan was $209,641 (see Figure 2).

Figure 2



Variable Rate Lines/Loans

Over 98 percent of the home equity **open-end** lines had a variable rate (Exhibit 7, pgs. 37 - 39). However, only 34.4 percent of the **closed-end** loans had a variable rate in 1991. Seventy-seven percent of the lenders in 1991 used The Wall Street Journal prime rate as the index for setting the variable rate for **open-end** lines (Table 1). Another 11 percent of the lenders used a bank prime rate as their index for variable rate **open-end** lines. The average spread over the prime rate was 181 basis points and the median spread was 200 basis points (Table 2). Only 12.8 percent used a Treasury Bill rate as their index. The average spread over a Treasury Bill rate was 418 basis points, and the median was 425 basis points. The average spreads for **open-end** lines increased in 1991 as compared to 1990. The average spread over prime increased by 6 basis points and the median spread increased by 25 basis points. The average spread over Treasury Bill rates increased by 27 basis points and the median spread increased by 25 basis points in 1991 as compared to 1990.

Table 1

Variable Rate Index

	Open-End Lines	Closed-End Loans
The Wall Street Journal Prime Rate	77%	29%
Bank Prime Rate	11%	8%
30 Day Treasury Bill	0%	4%
90 Day Treasury Bill	6%	15%
180 Day Treasury Bill	4%	25%
52 Week or Longer Treasury (including Federal Reserve Discount Rate)	1%	13%
Other	1%	8%

In contrast, only 45 percent of the lenders used a prime rate as the index for their variable rate closed-end loans with 35% using The Wall Street Journal prime rate and 10% using a bank prime rate. The average spread over prime rate for closed-end loans was 227 basis points, and the median was 200 basis points. Treasury Bill rates were used by 50 percent of the lenders for their closed-end loan rate index. The average spread over Treasury Bill rates was 429 basis points and the median spread was 425 basis points.

These rates were consistent with the increase in spreads for open-end lines.

Table 2

Spread Over Index

	Open-End Lines	Closed-End Loans
Over Prime Rate		
Mean	181 Basis Pts.	227 Basis Pts.
Median	200 Basis Pts.	200 Basis Pts.
Over Treasury Rate		
Mean	418 Basis Pts.	429 Basis Pts.
Median	425 Basis Pts.	425 Basis Pts.

The majority (73 percent) of **open-end** lenders could or did adjust their variable rate on a monthly basis, while 0 percent used a quarterly adjustment period (Table 3). In contrast, 52 percent of the **closed-end** lenders used a monthly adjustment period. The adjustment period for other **closed-end** lenders varied from the 17 percent that used a quarterly adjustment period to the 13 percent that used an annual period for variable rate adjustments. Ten percent of the **open-end** lenders could use a daily adjustment period as could 9 percent of the **closed-end** lenders.

Table 3

Variable Rate Adjustment Period

	Open-End Lines	Closed-End Loans
Daily	10%	9%
Weekly	2%	9%
Monthly	73%	52%
Quarterly	15%	17%
Annually	0%	13%

1991 versus 1990

The index used for variable rate home equity lines and loans changed very little in 1991. The big change toward The Wall Street Journal prime rate took place during the late eighties. The use of The Wall Street Journal prime rate as the index for variable rate **open-end** lines increased from 42 percent of the lenders in 1987 to 77 percent in 1990 and 1991. The use of a bank prime has decreased from 33 percent of lenders in 1987 to 11 percent in 1991. Similarly, the use of a Treasury Bill rate decreased over the last three years from 14 percent of lenders in 1987 to 11 percent in 1991.

The average **open-end** lines spread over the indices has fluctuated by only a few basis points over the last four years. Spreads increased in 1991 as compared to the previous years. The average variable rate spread over the prime rate was 181 basis points in 1991, as compared to 175 basis points in 1990, 189 basis points in 1989, 182 basis points in 1988, and 184 basis points in 1987. As will be noted later, home equity fees also went up in 1991. Thus, lenders have collectively begun to increase their spreads and fees back up toward their levels in the late eighties.

Monthly adjustment periods have been the most popular adjustment period for **open-end** variable rate lenders during the last four years. Monthly adjustment periods were used by 73 percent of the lenders in 1991, as compared to 72 percent in 1990, 71 percent in 1989, 64 percent in 1988, and 70 percent in 1987.

Fees

The majority (77 percent) of lenders of **open-end** lines charged appraisal fees (an average of $200.78) and recording fees (73 percent) (an average of $22.36) (Exhibits 8 & 9, pgs. 40 - 45). Until 1991, the percent of lenders charging appraisal fees has stayed in the low sixties since its high of 79 percent in 1987. The percent of lenders charging recording fees has reversed its five year drop. Recording fees in 1991 were close to their high of 77 percent of the lenders in 1987. Title insurance charges of $293.17 were charged by 55 percent of the lenders in 1991, and title search fees of $94.71 were charged by 42 percent of the lenders in 1991. Both fees and percent of lenders charging for title insurance and title searches increased in 1991. Annual fees average was $50.10 and they were charged by 43 percent of the lenders in 1991. Both the average fees and the percent of lenders charging annual fees were up in 1991 as compared to the fees and percentages of 1990.

In general, the percent of lenders charging fees for various loan-processing activities increased in 1991 over 1990 and the fees in 1990 were higher than 1989. In 1990 more lenders charged higher fees to cover some of their costs. The average fees charged to **open-end** borrowers in 1991 were $486.17. The median fees were $380.00. It was interesting to observe the range of fees charged from $25.00 to $2,090. Interestingly, sixty-two percent of the **open-end** lines were booked in 1991 after the lender waived the majority of the fees.

A majority of **closed-end** lenders charged appraisal, recording and title insurance fees. Eighty-two percent of the lenders charged an average appraisal fee of $197 (Exhibits 10 & 11, pgs. 46 - 51). Seventy-eight percent of the lenders charged an average of $20.00 for recording. Title insurance fees of $280 were charged by 57 percent of the **closed-end** lenders. Forty-four percent of the **closed-end** lenders charged title search fees of an average of $93.00. The percentage of lenders charging fees and the average amount of fees increased in 1991. The average amount of fees charged to borrowers with **closed-end** loans was $456.32 in 1991, and the median amount was $340.00. However, the majority of fees were waived for 44 percent of **closed-end** loans in 1991.

Borrower Options

The majority of **open-end** lines (82 percent) could be increased at the borrower's option, with the approval of the lenders (Exhibit 12, pg. 52). The average cost to the borrower of increasing the **open-end** line was $246.00 in 1991. The average cost of increasing the line was almost twice the average cost in 1989. However, the percentage of lenders allowing an increase at the borrowers option and with the approval of the lenders has increased over the last four years. This increase makes sense since a current customer's line can often be increased more inexpensively and with less need for an extensive credit check than would be incurred with a new customer.

Twenty-seven percent of the lenders allowed the **open-end** borrowers to convert their line from a variable interest rate to a fixed rate. Only 16 percent of the **closed-end** borrowers were allowed to convert their loan from a variable rate to a fixed rate. Finally, 48 percent of the lenders allowed the **open-end** borrowers to make interest-only payments.

Loan Processing

It took approximately the same time to process both home equity **open-end** lines in 1991 as it did in 1990. It took the average lender 12.7 days to approve and close an **open-end** line in 1991 (Exhibit 13, pgs. 53 - 55, Exhibit 15, pgs. 59 - 61). The median number of days to process an **open-end** line was 10 days. The processing time was measured from the receipt of the application to the closing of the line. It took only 12.4 days to approve and close the average **closed-end** loan in 1991 (Exhibit 14, pgs. 56 - 58, Exhibit 16, pgs. 62 - 64). It took a little more than one day longer in approving a **closed-end** loan in 1991 than it did in 1990. The median number of days for approving a **closed-end** loan was 10 days in 1991.

Open-end lines were processed and approved at a central location including a regional or main office (62 percent of the lenders). Most of the rest of the applications were processed at the branch level (35 percent). However, 2 percent were processed over the telephone and almost 2 percent were processed by mail. Home equity **closed-end** loans were processed in a central office or a branch office in approximately the same proportion as with home equity **open-end** lines.

The majority (67 percent) of **open-end** lenders continued to use a manual process as opposed to an automated process (33 percent). The use of manual processing, rather than an automated process has continued to drop over the last four years. Manual process was also the method used by a majority of **closed-end** lenders where 65 percent of the lenders used a manual process and 35 percent used an automated process. In 1989, only 17 percent of **open-end** applications and 19 percent of **closed-end** applications were approved using an automated process.

Seventy-nine percent of **open-end** lenders and 74 percent of **closed-end** lenders used a judgmental process of approval. Nineteen percent of the **open-end** lenders used a combination of judgement and credit scoring, as did 22 percent of the **closed-end** lenders. Credit scoring was used exclusively by 2 percent of **open-end** lenders and by 4 percent of **closed-end** lenders. There was an increased use of a combined judgmental and credit scoring approach to credit approved in 1991.

Seventy-one percent of **open-end** applications and 69 percent of **closed-end** applications were approved in 1991. Approximately the same percent of **open-end** and **closed-end** applications were approved since 1989. Of the approved applications, 85 percent of the **open-end** lines and 85 percent of the **closed-end** loans actually closed. Thus, once a home equity line/loan was approved it closed over eighty percent of the time. The percent of approved home equity lines/loans closing in 1991 was approximately the same percentage closing in 1989 and 1990.

The majority of home equity lenders (65 percent for **open-end** and 64 percent for **closed-end**) used a full appraisal for loan approval. The use of full appraisal has continued to increase at home equity lenders. Twenty percent of the lenders used a drive-by appraisal for approval of **open-end** lines, 7 percent used the borrower's tax assessment and 7 percent used both tax assessment and drive-by appraisals. Approximately the same percentage of **closed-end** lenders used either a full appraisal or a drive-by appraisal (21 percent). Finally, 6 percent of **closed-end** lenders used tax assessments and 8 percent used both a tax assessment and drive-by appraisal.

Sixty-eight percent of the **open-end** lenders and 90 percent of **closed-end** lenders offered credit life insurance. However, only 22 percent of the **open-end** borrowers and 31 percent of the **closed-end** borrowers actually took the credit life insurance. The average maximum amount of credit life insurance was $60,475 for **open-end** borrowers and $69,577 for **closed-end** borrowers.

Finally, a majority (68 percent of **open-end** lenders and 63 percent of **closed-end** lenders) required title insurance for some loans. The requirement was often triggered by the size of the line or loan.

Ninety-nine percent of the **open-end** lenders (Exhibit 17, pgs. 65 - 67) and 100 percent of the **closed-end** lenders (Exhibit 18, pgs. 68 - 70) used a debt-to-income formula in this approval process. The average debt-to-gross-income ratio was 39 percent of gross income for **open-end** lines and 40 percent of gross income for **closed-end** loans. The average debt-to-net-income was 45 percent for **open-end** and 45 percent for **closed-end** credit in 1991. The use of, and the maximum debt-to-income, rose slightly in 1991.

The average maximum loan-to-value ratio for an owner-occupied residence was 78 percent for **open-end** lines and 79 percent for **closed-end** loans. The average maximum loan to value ratio was 69 percent for **open-end** lines and 70 percent for **closed-end** loans that were secured by a non-owner residence.

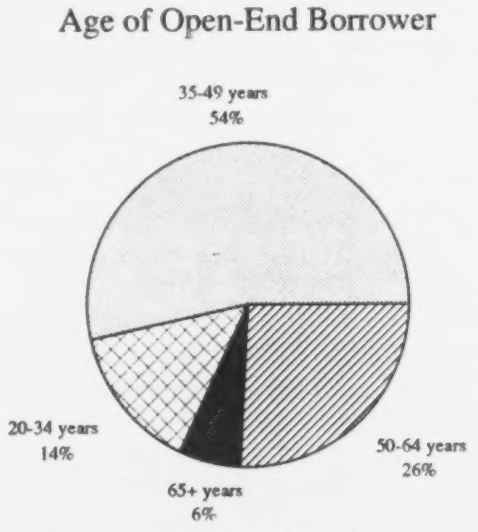
1991 versus 1990

The average processing time stayed the same as it was in 1990. For **open-end** lending, processing took an average time of 18 days in 1987, 16 days in 1988, only 12 days in 1989, 12.8 days in 1990, and 12.7 days in 1991. The use of full appraisal rather than drive-by's or tax assessments increased by 7 percentage points for **open-end** lenders and by 10 percentage points for **closed-end** lenders. The percent of approved **open-end** lines that actually closed dropped a little in 1991. The percent of approved **open-end** lines that closed was as high as 88 percent in 1987 and 1988, 87 percent in 1989 and 1990, but only 81 percent in 1991.

Home Equity Borrowers

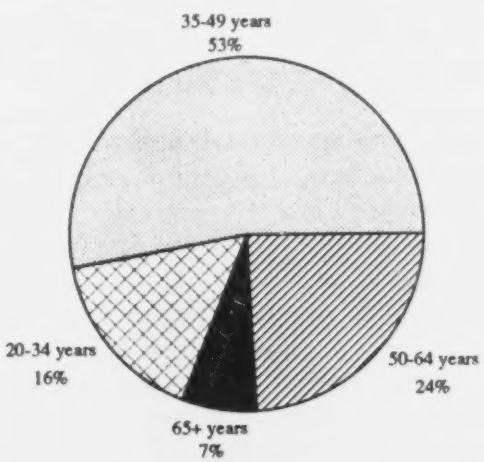
The average **open-end** borrower had a household income of $51,398 (up 2.5 percent from 1990), had 2.8 dependents, had held the same job for 8.6 years (up from 8.3 in 1990) and had owned the same home for 9.6 years (up from 9.3 years in 1990) (Exhibit 19, pgs. 71 - 73). The average **open-end** borrower was between the ages of 35 and 49 years of age (Figure 3). The 35 to 49 years of age bracket represented 53 percent of the **open-end** borrowers. The second largest group of **open-end** borrowers (26 percent) were the next oldest group (50 to 64 years of age). The average **open-end** borrower at a commercial bank had held the same job slightly longer (8.7 years), than the average borrower at a thrift, (8.1 years). The average household incomes of the borrowers at commercial banks was higher ($51,520) than at thrifts ($50,812). Borrower characteristics were stronger in 1991 than in 1990. The net effect of the upward changes is that borrowers' are a better credit risk holding all other factors the same in 1991 than in 1990. It is also noteworthy that the credit worthiness of home equity borrowers has increased each of the last six years.

Figure 3



The average **closed-end** borrower had a household income of $43,339 (up 1.9 percent from 1990), had held the same job for 8.7 years (up from 7.8 and 7.7 years in 1990 and 1989, respectively) and had owned the same home for 9.2 years (up from 8.9 and 8.4 years in 1990 and 1989, respectively) (Exhibit 20, pgs. 74 - 76). The average **closed-end** borrower was slightly younger than the average **open-end** borrower (Figure 4). The two largest groups of **closed-end** borrowers were 35 to 49 years old (52 percent of the borrowers) and 50 to 64 years old (24 percent). The youngest category of borrowers (20 to 34 years of age) represented almost 16 percent of the **closed-end** borrowers. The average actual loan-to-value of the **open-end** and **closed-end** borrowers were 68 and 66 percent, respectively in 1991 (Exhibits 19 & 20, pgs. 71 - 76). Both of these loan-to-values are well below the average **maximum** loan-to-value of the **open-end** and **closed-end** lenders, which were 78 and 79 percent, respectively (Exhibits 19 & 20, pgs. 71 - 76).

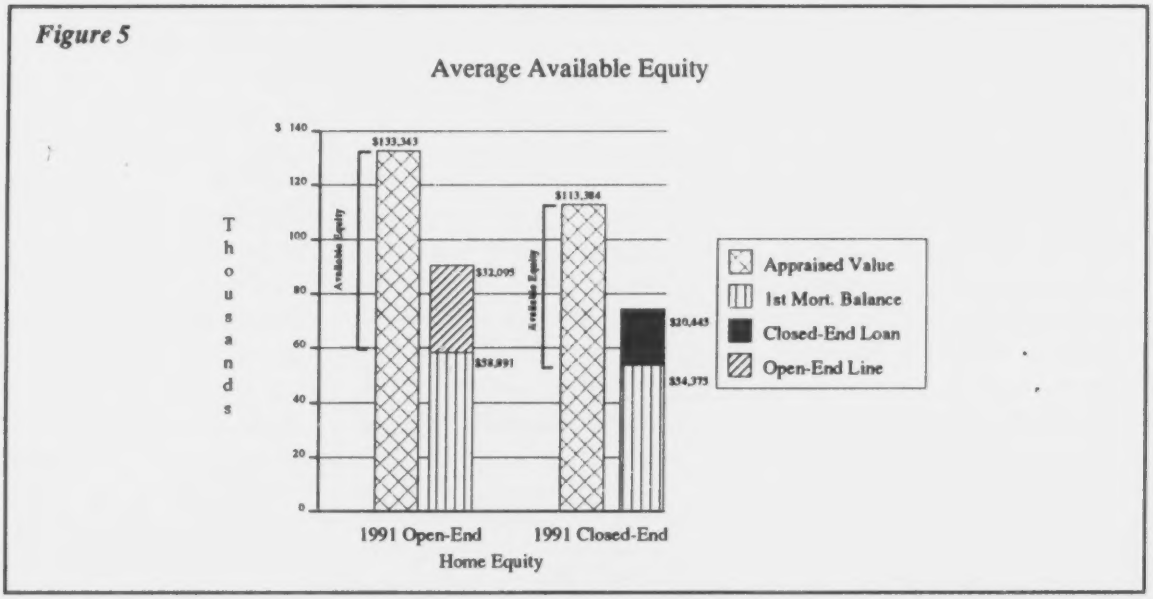
Figure 4



Almost all of the same relative relationships for the average **open-end** lender also held for the average **closed-end** lender. The typical borrower at a commercial bank was less mobile (stayed at the same job and owned the same home for a longer period of time) than the average borrower at a thrift. Similarly, the average borrower had the least available equity in the Midwest and the greatest in the Northeast and West. Finally, **closed-end** borrowers were most mobile in the West and least mobile in the Midwest.

Given an average **open-end** line of $32,095, an average **first mortgage** balance of $58,891 and an appraised home value of $133,343, the average **open-end** borrower had $42,357 equity after deducting the home equity line and the **first mortgage** (Figure 5). Thus, including the **first mortgage** and the **open-end** line, the average borrower had 68 percent of the appraisal value of the home in loans or potential loans. Using the same logic the average **closed-end** borrower had $38,563 of equity after subtracting the average **first mortgage** balance of $54,376 and **closed-end** loans of $20,445 (Figure 5). Thus, the average **closed-end** borrower had loans (first mortgage plus home equity **closed-end** loan) worth 66 percent of the appraised value of the home.

Figure 5



The average home equity borrower had an approved **open-end** line of $32,095 or a **closed-end** loan of $20,445 (Exhibit 4, pgs. 28 - 30). New borrowers in 1991 received **open-end** lines of, on average, $32,572, or **closed-end** loans, on an average of $26,301. Notably, new **open-end** lines were $477 larger than the existing **open-end** lines, and new **closed-end** loans were $5,856 larger than the existing **closed-end** loans ($26,301 for new and $20,445 for all closed-end). The average size of home equity lines and loans was much larger at thrifts than at banks. The fact that the average new **closed-end** loans were higher than the average existing **closed-end** loans was not surprising since some of the principal of the existing **closed-end** loans had been paid off. The average borrowers had drawn only 59.6 percent of their approved **open-end** line. From the lender's perspective, 87.6 percent of all approved **open-end** lines were in use at the end of 1991, however only 59.6 percent of all of the approved credit was in use at the end of 1991.

The average **open-end** borrowers had the most available equity (the difference between the appraised value of the home and the first mortgage on that home) in the Northeast and West, at the typical thrift, and at the largest lenders (with assets over $5 billion), because of the higher appraised value of those homes (Exhibit 19, pgs. 71 - 73). The average borrowers had the least available equity in the South and Midwest, at commercial banks, and at the smallest lenders.

1991 versus 1990

The average household income of **open-end** borrowers was 2.5 percent higher in 1991 than in 1990 ($51,398 versus $50,131). The average number of dependents has remained essentially the same for the last two years. The average number of years at the same job and in the same home went up slightly from the averages of 1990. The average number of years at the same job increased from 8.3 years to 8.6 and the number of years of same home ownership increased from 9.3 to 9.6. The increase of approximately a third of a year were on top of the increases in 1990 of .1 years on the job and .3 years in the same house.

Reasons for Borrowing

Debt consolidation was the primary reason for home equity borrowing in 1991 (Figure 6 and 7). Debt consolidation was the primary reason for 36 percent of the **open-end** lines and 43 percent of the **closed-end** loans in 1991. In previous years of this study, home improvement was the primary use of home equity credit. However, in 1991, home improvement was the secondary reason for home equity borrowing. Thirty-six percent of the **closed-end** borrowers used the funds for home improvement, and 28 percent of the **open-end** borrowers used their line for home improvement (Figures 6 & 7). This use of the funds was most satisfying to the lender since it would increase the value of the collateral and thus decrease the inherent risk of the credit. Other uses of home equity credit included automobile, education, medical expenses, investments and other needs for liquidity. Automobile purchases and education expenses were the third and fourth reasons for borrowing against one's home with **open-end** lines of credit and **closed-end** loans.

Figure 6

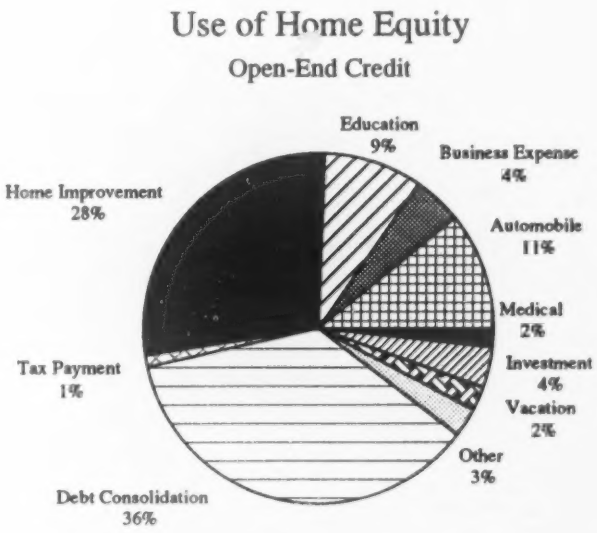
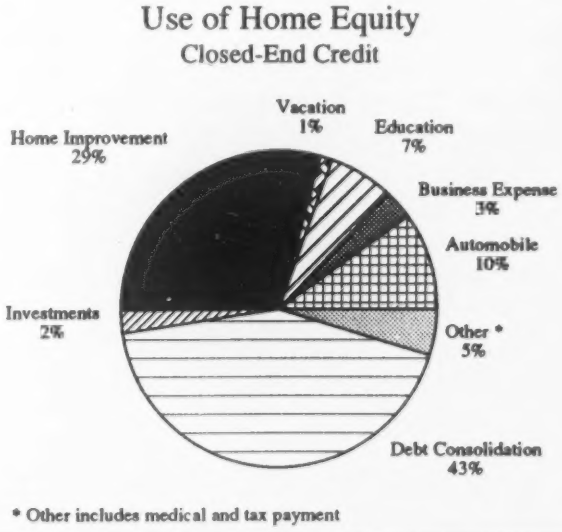


Figure 7



Access to Home Equity Open-end Lines of Credit

Ninety-eight percent of all home equity lenders allowed access to home equity open-end lines through checks including draft accounts (Exhibit 21, pgs. 77 - 79). Fifty-nine percent of the lenders allowed personal withdrawal from the open-end line of credit. The average open-end borrowers accessed their accounts 11 times in 1991. The average total amount withdrawn per line during 1991 was $7,875.

The methods of access varied regionally. Forty-eight percent of the Midwestern lenders and 38 percent of the Western lenders allowed access to the **open-end** lines via telephone, as compared to only 14 percent of the Southern lenders. ATMs were more popular in the Midwest (38 percent of the lenders) than in the South (9 percent). Access to the **open-end** lines via a credit-card was available at 29 percent of the lenders in the Northeast. Western lenders tended to offer more methods of access than the other regions' lenders. On average, the lenders in South offer the fewest methods of accessing **open-end** credit.

The average number of transactions in each account was 11 in 1991 (Exhibit 21, pgs. 77 - 79). This was down from 17 transactions in 1990. The average total dollar amount of transactions per account for all of 1991 was $7,875, which is up from $7,043 in 1990. The number of transactions and total amount of transactions varied by the size of the lender and by the type of lender.

Marketing Methods

Newspapers remained the most important marketing tool in 1991 (Figure 8). Thirty-five percent of all lenders selected newspapers as their most important marketing media. Newspapers have been listed as the most important media for each of the past six years. In 1989 newspapers were listed by a fourth of all lenders as the most important marketing tool, but by 1990, newspapers were listed as most important by almost a third of the lenders. Low or no closing costs were listed as the most important marketing tool by 16 percent of the lenders. This was approximately the same proportion as in 1989, but was slightly lower than last year. Seventeen percent of the lenders selected cross-selling as their most important marketing method, and nine percent selected direct mail. Low introductory interest rates were selected by only two percent of the lenders as the most important

Figure 8

* includes "word of mouth (3%), Radio (2%), and TV (1%).

marketing tool. Employee incentives were listed by 8.3 percent of the lenders as the most important marketing tool. Radio, television, direct mail, statement stuffers, no or low closing costs and low

introductory rates dropped in importance in 1991 as compared to 1990. However, newspapers, cross-selling, employee incentives and telemarketing increased in importance during 1991.

Delinquent Lines and Loans

Home equity delinquency rates, as expected, were below those for consumer credit (excluding unsecured credit cards) (Exhibit 22, pgs. 80 - 82). The delinquency rate for **open-end** home equity credit was 1.36 percent in 1991, as compared to the consumer credit (excluding unsecured credit cards) rate of 2.63 percent. Paradoxically, the rate of delinquencies of **open-end** lines dropped and the rate of delinquencies of consumer loans (excluding unsecured credit cards) increased in 1991. The delinquency rate of **closed-end** home equity loans was 3.86 percent. This rate was higher than the **open-end** home equity credit rate and above the consumer credit delinquency rate. Much of the increase of delinquencies occurred at thrifts rather than at commercial banks. As would have been expected from regional economic differences, delinquency rates in the Northeast continued to be higher than lenders in the Midwest and West. The percent of **open-end** credit that was considered as a non-performing was twice as high in the Northeast and South (.39 and .37 percent, respectively) as in the Midwest and West (.17 and .16 percent, respectively).

Foreclosures and Charge-offs

The average lender foreclosed only twelve **open-end** home-equity lines in 1991 (Exhibit 23, pg. 83). The average amount of foreclosed **open-end** lines was $626,113. The average line was 95.6 percent outstanding when it was foreclosed. Some lenders' lines were more than 100 percent outstanding at the time of foreclosure because of added interest in arrears to the underlying obligation. The median lender had three foreclosures for a total of $111,235. The difference between the mean and the median statistic reflects the difference in the size of the respondents and the corresponding amounts of home equity credit. The average foreclosed **open-end** line was $55,754 in 1991. The average lender **open-end** foreclosures increased over fifty percent in 1991. This increase was on top of the increase in foreclosures in 1990. However, relative to other forms of lending, the percent of **open-end** lines foreclosed in 1991 remained very small, only .296 percent of the number of **open-end** lines. This percentage was almost double the .15 percent in 1990. These increases reflect both the economic conditions and the maturity of the home equity lending product. As these loans mature, the number of expected problem loans increase.

The average lender had 20 foreclosed **closed-end** home equity loans in 1991 (Exhibit 24, pg. 84). The amount of the foreclosed home equity loans was $726,284 at the average lender. The fact that there were more foreclosed **closed-end** loans than foreclosed **open-end** lines may reflect that the average **open-end** line is newer than the average **closed-end** loan. The median number of foreclosed **closed-end** loans was five and median dollar amount of foreclosed loans was $124,875. The amount of the average foreclosed **closed-end** loan was $42,662 and the median loan was $25,870.

The average lenders had 34 charged-off **open-end** lines in 1991. The median number was 7. The average amount charged-off was $803,700 (the median was $136,413). The average amount charged-off per **open-end** line in 1991 was $18,452.

The average lender had 117 charged-off **closed-end** loans in 1991. The median number was 22. The average amount charged-off was $967,282 and the amount charged-off per **closed-end** loan was $12,973. The median lender charged-off 22 **closed-end** loans for a total of $233,958.

Fifty-three percent of the home equity **open-end** credit charge-offs were due to the personal bankruptcy of the borrowers. Seventy-seven percent of the home equity **closed-end** loans charged-off were due to the personal bankruptcy of the borrower.

Adjustment Caps

Only 14 percent of the lenders have annual adjustment caps on their variable rate **open-end** lines, and 7 percent of the **closed-end** lenders have annual caps (Exhibits 25 & 26, pgs. 85 - 86). Sixty percent of **closed-end** lenders have lifetime interest rate caps on their variable interest rate loans. The average lifetime interest rate cap was 18.1 percent for **open-end** lines and 18.6 percent for **closed-end** loans. Thirty-three percent of the **open-end** lenders and 31 percent of the **closed-end** lenders had lifetime floor interest rates which were an average of 8.6 and 8.2 percent, respectively.

Secondary Markets and Securitization

Only 7.8 percent of all lenders sold home equity **open-end** lines in 1991 and 11.0 percent sold **closed-end** loans (Exhibit 27, pg. 87). Both of these percentages are more than double their levels in 1990, which were more than double the rates of 1989. A greater percent of the lenders bought rather than sold **open-end** lines (21.6 percent) and **closed-end** loans (20.9 percent). The percent of lenders buying home equity credit almost doubled from 1990 to 1991. The secondary market for home equity products continues to grow rapidly.

Nine percent of the **open-end** lenders and 10.3 percent of the **closed-end** lenders currently securitize their home equity credit. Almost 6 percent of **open-end** and 7 percent of **closed-end** lenders plan to start securitization of home equity credit in 1992.

Periodic Reviews

Periodic reviews are used by 84.7 percent of **open-end** lenders as compared to 82 percent in 1990 and only 67 percent in 1989 (Exhibit 28, pg. 88). The most frequently used review period (60 percent) was an annual review.

Approximately 58 percent of the **open-end** lenders used an account monitoring system as compared to 52 percent in 1990 and 45 percent in 1989. The most frequently used account monitoring system were internal reports (51 percent of the lenders). External vendor reports, such as a credit bureau report or other service, were used by 49 percent of the lenders. The use of external vendors report increased by 8 percentage points and the use of internal reports dropped by a similar percentage.

Exhibits

Exhibit 1A
INSTITUTION CHARACTERISTICS
($000,000)

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ASSET SIZE			
Mean	$8,137	$3,205	$7,121
Median	$3,732	$1,717	$2,787
NO. OF BRANCHES OR BANKS			
Mean	122	115	121
Median	64	32	52
GROWTH IN ASSETS			
Mean	6.8%	2.9%	6.0%
Median	3.5%	.1%	3.2%
RETURN ON ASSETS			
Mean	1.11%	.57%	1.01%
Median	.89%	.53%	.84%
RETURN ON EQUITY			
Mean	8.1%	10.1%	8.5%
Median	13.2%	10.5%	12.3%
NUMBER OF RESPONDENTS	84	22	106

Exhibit 1B

INSTITUTION CHARACTERISTICS
($000,000)

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ASSET SIZE				
Mean	$10,164	$4,255	$7,981	$4,137
Median	$3,200	$1,957	$1,664	$2,788
NO. OF BRANCHES OR BANKS				
Mean	138	69	103	103
Median	72	31	36	86
GROWTH IN ASSETS				
Mean	10.1%	4.4%	5.5%	3.8%
Median	3.5%	3.3%	1.2%	3.0%
RETURN ON ASSETS				
Mean	1.03%	1.00%	1.99%	-.10%
Median	.87%	1.00%	.54%	.65%
RETURN ON EQUITY				
Mean	11.9%	12.6%	3.5%	7.9%
Median	13.4%	12.9%	10.0%	11.9%
NUMBER OF RESPONDENTS	15	22	32	22

Exhibit 1C

INSTITUTION CHARACTERISTICS
($000,000)

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ASSET SIZE			
Mean	$524	$2,515	$16,895
Median	$550	$2,318	$11,605
NO. OF BRANCHES OR BANKS			
Mean	33	68	243
Median	14	47	188
GROWTH IN ASSETS			
Mean	2.1%	5.7%	8.3%
Median	.9%	1.0%	6.2%
RETURN ON ASSETS			
Mean	.18%	1.83%	.56%
Median	.93%	.56%	.82%
RETURN ON EQUITY			
Mean	10.5%	7.6%	7.8%
Median	12.5%	11.7%	13.7%
NUMBER OF RESPONDENTS	24	42	36

Exhibit 2A

CONSUMER AND HOME EQUITY LINES/LOANS
($000)

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
DOLLARS OF CONSUMER CREDIT			
Mean	$1,507,518	$1,737,867	$1,553,108
Median	$637,062	$414,185	$511,262
NUMBER OF OPEN-END LINES			
Mean	11,122	8,703	10,682
Median	5,081	4,621	4,826
DOLLARS OF APPROVED OPEN-END LINES			
Mean	$395,834	$309,405	$379,628
Median	$144,601	$130,376	$141,758
NUMBER OF OUTSTANDING OPEN-END LINES			
Mean	9,523	8,066	9,238
Median	4,220	4,198	4,198
DOLLARS OF OUTSTANDING OPEN-END LINES			
Mean	$220,062	$220,092	$220,067
Median	$81,597	$64,789	$79,230
NUMBER OF CLOSED-END LOANS			
Mean	8,948	12,814	9,847
Median	2,896	2,748	2,896
DOLLARS OF APPROVED CLOSED-END LOANS			
Mean	$170,335	$367,677	$217,887
Median	$52,002	$61,380	$52,002

Exhibit 2B

CONSUMER AND HOME EQUITY LINES/LOANS
($000)

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
DOLLARS OF CONSUMER CREDIT				
Mean	$2,147,104	$923,503	$1,231,920	$1,195,589
Median	$637,062	$282,904	$364,183	$414,185
NUMBER OF OPEN-END LINES				
Mean	16,940	6,750	9,607	7,303
Median	4,109	2,757	4,018	6,289
DOLLARS OF APPROVED OPEN-END LINES				
Mean	$847,334	$192,192	$267,404	$240,956
Median	$137,808	$52,142	$86,907	$184,300
NUMBER OF OUTSTANDING OPEN-END LINES				
Mean	15,039	5,541	7,915	6,211
Median	2,831	2,433	3,028	4,897
DOLLARS OF OUTSTANDING OPEN-END LINES				
Mean	$431,098	$99,575	$190,812	$125,354
Median	$72,195	$30,759	$63,502	$98,900
NUMBER OF CLOSED-END LOANS				
Mean	14,164	5,167	7,324	7,570
Median	5,100	2,040	1,804	4,117
DOLLARS OF APPROVED CLOSED-END LOANS				
Mean	$428,642	$67,622	$86,239	$141,458
Median	$119,580	$32,461	$35,555	$91,000

Exhibit 2C

CONSUMER AND HOME EQUITY LINES/LOANS
($000)

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
DOLLARS OF CONSUMER CREDIT			
Mean	$798,797	$564,215	$3,521,532
Median	$134,442	$399,374	$2,418,563
NUMBER OF OPEN-END LINES			
Mean	2,735	4,687	22,320
Median	729	3,927	17,632
DOLLARS OF APPROVED OPEN-END LINES			
Mean	$80,469	$145,040	$865,510
Median	$17,562	$101,190	$656,849
NUMBER OF OUTSTANDING OPEN-END LINES			
Mean	2,242	4,269	19,711
Median	524	3,496	15,627
DOLLARS OF OUTSTANDING OPEN-END LINES			
Mean	$51,928	$87,564	$486,136
Median	$13,326	$57,143	$351,478
NUMBER OF CLOSED-END LOANS			
Mean	2,154	6,448	18,295
Median	885	2,168	10,034
DOLLARS OF APPROVED CLOSED-END LOANS			
Mean	$22,959	$140,625	$427,270
Median	$11,147	$42,061	$154,106

Exhibit 3A

OUTSTANDING HOME EQUITY OPEN-END
LINES AS A PERCENT OF APPROVED LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PERCENT OF LINES IN USE			
Mean	87.6%	87.6%	87.6%
Median	87.7%	90.8%	88.3%
PERCENT OF APPROVED OPEN-END CREDIT OUTSTANDING			
Mean	58.4%	64.4%	59.6%
Median	57.4%	57.3%	57.4%

Exhibit 3B

OUTSTANDING HOME EQUITY OPEN-END
LINES AS A PERCENT OF APPROVED LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PERCENT OF LINES IN USE				
Mean	90.7%	86.9%	85.1%	88.8%
Median	95.0%	89.0%	86.3%	89.6%
PERCENT OF APPROVED OPEN-END CREDIT OUTSTANDING				
Mean	61.1%	58.1%	60.2%	56.8%
Median	57.3%	59.0%	57.9%	55.9%

Exhibit 3C

OUTSTANDING HOME EQUITY OPEN-END
LINES AS A PERCENT OF APPROVED LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PERCENT OF LINES IN USE			
Mean	87.4%	87.3%	87.8%
Median	89.1%	88.3%	87.7%
PERCENT OF APPROVED OPEN-END CREDIT OUTSTANDING			
Mean	63.5%	59.7%	56.3%
Median	58.1%	58.4%	55.3%

Exhibit 4A

AVERAGE SIZE OF LINES AND LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
AVERAGE APPROVED OPEN-END LINE			
Mean	$31,840	$33,184	$32,095
Median	$28,555	$27,653	$28,387
AVERAGE OUTSTANDING OPEN-END LINE			
Mean	$20,891	$23,570	$21,404
Median	$18,667	$19,842	$19,064
AVERAGE NEW OPEN-END LINE			
Mean	$31,433	$37,658	$32,572
Median	$28,401	$35,464	$28,632
AVERAGE CLOSED-END LOAN			
Mean	$18,228	$27,429	$20,445
Median	$16,808	$20,947	$17,896
AVERAGE NEW CLOSED-END LOAN			
Mean	$24,246	$33,193	$26,301
Median	$20,703	$26,017	$22,403

Exhibit 4B

AVERAGE SIZE OF LINES AND LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
AVERAGE APPROVED OPEN-END LINE				
Mean	$35,921	$23,666	$30,927	$35,012
Median	$32,257	$22,959	$26,502	$31,158
AVERAGE OUTSTANDING OPEN-END LINE				
Mean	$22,670	$15,803	$20,993	$22,308
Median	$20,583	$14,674	$18,765	$19,239
AVERAGE NEW OPEN-END LINE				
Mean	$41,377	$24,945	$31,437	$33,975
Median	$40,505	$24,159	$25,904	$29,943
AVERAGE CLOSED-END LOAN				
Mean	$25,663	$13,690	$17,689	$25,613
Median	$23,710	$13,118	$16,275	$20,543
AVERAGE NEW CLOSED-END LOAN				
Mean	$31,564	$18,716	$23,368	$27,021
Median	$31,948	$17,383	$21,545	$25,569

Exhibit 4C

AVERAGE SIZE OF LINES AND LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
AVERAGE APPROVED OPEN-END LINE			
Mean	$27,609	$29,320	$38,088
Median	$22,959	$26,617	$32,000
AVERAGE OUTSTANDING OPEN-END LINE			
Mean	$19,407	$20,256	$23,767
Median	$15,926	$18,302	$22,662
AVERAGE NEW OPEN-END LINE			
Mean	$31,368	$28,647	$37,833
Median	$21,020	$26,612	$35,429
AVERAGE CLOSED-END LOAN			
Mean	$19,543	$19,897	$21,451
Median	$15,017	$18,258	$20,543
AVERAGE NEW CLOSED-END LOAN			
Mean	$22,727	$24,296	$31,047
Median	$16,086	$22,403	$26,337

Exhibit 5A

NEW OPEN-END LINES
ORIGINATED IN 1991

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
NUMBER OF NEW OPEN-END LINES ORIGINATED 1991			
Mean	2,131	2,386	2,172
Median	807	809	808
DOLLAR AMT OF OPEN-END LINES ORIGINATED 1991 (000)			
Mean	$82,507	$90,488	$83,967
Median	$27,890	$20,158	$26,246
AVERAGE NEW OPEN-END LINE			
Mean	$31,433	$37,658	$32,572
Median	$28,401	$35,464	$28,632

Exhibit 5B

NEW OPEN-END LINES
ORIGINATED IN 1991

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
NUMBER OF NEW OPEN-END LINES ORIGINATED 1991				
Mean	4,643	1,570	1,465	1,028
Median	1,254	940	429	734
DOLLAR AMT OF OPEN-END LINES ORIGINATED 1991 (000)				
Mean	$274,410	$45,793	$46,930	$35,818
Median	$65,501	$16,735	$11,530	$19,917
AVERAGE NEW OPEN-END LINE				
Mean	$41,377	$24,945	$31,437	$33,975
Median	$40,505	$24,159	$25,904	$29,943

Exhibit 5C

NEW OPEN-END LINES
ORIGINATED IN 1991

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
NUMBER OF NEW OPEN-END LINES ORIGINATED 1991			
Mean	340	1,150	4,448
Median	170	698	3,283
DOLLAR AMT OF OPEN-END LINES ORIGINATED 1991 (000)			
Mean	$12,282	$36,088	$181,192
Median	$3,600	$16,756	$107,206
AVERAGE NEW OPEN-END LINE			
Mean	$31,368	$28,647	$37,833
Median	$21,020	$26,612	$35,429

Exhibit 6A

NEW CLOSED-END LOANS
ORIGINATED IN 1991

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
NUMBER OF NEW CLOSED-END LOANS ORIGINATED 1991			
Mean	2,000	2,963	2,213
Median	1,009	1,238	1,034
DOLLAR AMT OF CLOSED-END LOANS ORIGINATED 1991 (000)			
Mean	$49,367	$92,187	$59,204
Median	$22,885	$27,839	$24,108
AVERAGE NEW CLOSED-END LOAN			
Mean	$24,246	$33,193	$26,301
Median	$20,703	$26,017	$22,403

Exhibit 6B

NEW CLOSED-END LOANS
ORIGINATED IN 1991

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
NUMBER OF NEW CLOSED-END LOANS ORIGINATED 1991				
Mean	3,148	1,572	1,476	1,725
Median	2,391	913	524	1,323
DOLLAR AMT OF CLOSED-END LOANS ORIGINATED 1991 (000)				
Mean	$94,174	$27,513	$35,108	$46,569
Median	$54,727	$13,596	$14,243	$32,321
AVERAGE NEW CLOSED-END LOAN				
Mean	$31,564	$18,716	$23,368	$27,021
Median	$31,948	$17,383	$21,545	$25,569

Exhibit 6C

NEW CLOSED-END LOANS
ORIGINATED IN 1991

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
NUMBER OF NEW CLOSED-END LOANS ORIGINATED 1991			
Mean	325	1,613	4,086
Median	171	926	2,839
DOLLAR AMT OF CLOSED-END LOANS ORIGINATED 1991 (000)			
Mean	$8,115	$40,408	$112,836
Median	$3,687	$21,808	$63,985
AVERAGE NEW CLOSED-END LOAN			
Mean	$22,727	$24,296	$31,047
Median	$16,086	$22,403	$26,337

Exhibit 7A

VARIABLE RATE LINES AND LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
% OF OPEN-END LINES WITH VARIABLE RATE	98.3%	99.3%	98.5%
% OF CLOSED-END LOANS WITH VARIABLE RATE	29.3%	52.2%	34.4%

Exhibit 7B

VARIABLE RATE LINES AND LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
% OF OPEN-END LINES WITH VARIABLE RATE	98.4%	96.0%	98.9%	100.0%
% OF CLOSED-END LOANS WITH VARIABLE RATE	16.3%	34.7%	60.0%	37.6%

Exhibit 7C

VARIABLE RATE LINES AND LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
% OF OPEN-END LINES WITH VARIABLE RATE	100.0%	98.1%	98.0%
% OF CLOSED-END LOANS WITH VARIABLE RATE	70.0%	38.0%	21.8%

Exhibit 8A

FEES CHARGED FOR OPEN-END LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ANNUAL FEE	$55	$36	$50
APPLICATION FEE	$85	$113	$90
APPRAISAL FEE	$194	$230	$201
ATTORNEY FEE	$207	$180	$200
CLOSING FEE	$45	.	$45
COMMITMENT FEE	$375	.	$375
CREDIT-CHECK FEE	$14	$10	$13
LOAN SET-UP FEE	$155	$237	$186
MORTGAGE TAX	$347	$85	$281
PER TRANACTION	$6	.	$6
POINTS	1.3	2.6	2.1
PROPERTY REPORT FEE	$61	$133	$72
RECORDING FEE	$23	$20	$22
SUBORDINATION FEE	$83	$88	$83
TITLE INSURANCE	$305	$249	$293
TITLE SEARCH	$93	$100	$95

Exhibit 8B

FEES CHARGED FOR OPEN-END LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ANNUAL FEE	$94	$38	$32	$40
APPLICATION FEE	$50	$65	$100	
APPRAISAL FEE	$281	$127	$180	$224
ATTORNEY FEE	$110	$20	$188	$241
CLOSING FEE	.	.	.	.
COMMITMENT FEE	.	.	.	.
CREDIT-CHECK FEE	$6	.	$20	.
LOAN SET-UP FEE	.	.	.	.
MORTGAGE TAX	.	.	.	.
PER TRANACTION	.	.	.	.
POINTS	.		.	.
PROPERTY REPORT FEE	$78	.	$43	.
RECORDING FEE	$15	$15	$35	$18
SUBORDINATION FEE	$84	.	$73	$68
TITLE INSURANCE	$249	$228	$505	$296
TITLE SEARCH	$87	$66	$90	$106

Exhibit 8C

FEES CHARGED FOR OPEN-END LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ANNUAL FEE	$28	$41	$62
APPLICATION FEE	•	$75	$116
APPRAISAL FEE	$212	$186	$210
ATTORNEY FEE	$256	$164	$216
CLOSING FEE	•	•	•
COMMITMENT FEE	•	•	•
CREDIT-CHECK FEE	$30	$9	$5
LOAN SET-UP FEE	•	•	$190
MORTGAGE TAX	•	•	•
PER TRANACTION	•	•	•
POINTS	•	2.4	•
PROPERTY REPORT FEE	•	$93	$69
RECORDING FEE	$26	$17	$25
SUBORDINATION FEE	$87	$81	$85
TITLE INSURANCE	$285	$281	$306
TITLE SEARCH	$69	$86	$106

Exhibit 9A

% OF LENDERS CHARGING FEE FOR OPEN-END LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ANNUAL FEES	39%	65%	43%
FEES PER TRANSACTION	2%	0%	2%
APPLICATION FEES	10%	12%	10%
APPRAISAL FEES	75%	82%	77%
ATTORNEY FEES	28%	41%	31%
CLOSING FEES	4%	0%	3%
COMMITMENT FEES	2%	0%	2%
CREDIT CHECK	16%	18%	16%
LOAN SET-UP FEES	6%	18%	8%
MORTGAGE TAX	16%	18%	16%
POINTS	4%	29%	8%
PROPERTY REPORT FEES	15%	12%	14%
RECORDING FEES	70%	88%	73%
SUBORDINATION FEES	23%	18%	22%
TITLE INSURANCE	53%	65%	55%
TITLE SEARCH FEES	38%	59%	42%

Exhibit 9B

% OF LENDERS CHARGING FEE FOR OPEN-END LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ANNUAL FEES	69%	71%	20%	32%
FEES PER TRANSACTION	8%	0%	3%	0%
APPLICATION FEES	8%	10%	20%	5%
APPRAISAL FEES	77%	81%	67%	81%
ATTORNEY FEES	15%	10%	33%	62%
CLOSING FEES	0%	0%	3%	10%
COMMITMENT FEES	0%	0%	3%	5%
CREDIT CHECK	23%	0%	27%	10%
LOAN SET-UP FEES	8%	5%	3%	5%
MORTGAGE TAX	0%	5%	23%	10%
POINTS	8%	0%	7%	10%
PROPERTY REPORT FEES	23%	10%	13%	5%
RECORDING FEES	77%	81%	57%	81%
SUBORDINATION FEES	46%	0%	27%	14%
TITLE INSURANCE	77%	48%	37%	62%
TITLE SEARCH FEES	31%	43%	23%	57%

Exhibit 9C

% OF LENDERS CHARGING FEE FOR OPEN-END LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ANNUAL FEES	23%	48%	53%
FEES PER TRANSACTION	0%	3%	3%
APPLICATION FEES	9%	13%	9%
APPRAISAL FEES	77%	80%	73%
ATTORNEY FEES	32%	33%	27%
CLOSING FEES	0%	5%	3%
COMMITMENT FEES	0%	5%	0%
CREDIT CHECK	18%	13%	21%
LOAN SET-UP FEES	9%	5%	12%
MORTGAGE TAX	9%	13%	24%
POINTS	9%	10%	6%
PROPERTY REPORT FEES	9%	10%	24%
RECORDING FEES	77%	78%	67%
SUBORDINATION FEES	14%	25%	24%
TITLE INSURANCE	50%	58%	55%
TITLE SEARCH FEES	23%	45%	48%

Exhibit 10A

FEES CHARGED FOR CLOSED-END LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ANNUAL FEE	.	.	.
APPLICATION FEE	$99	.	$99
APPRAISAL FEE	$189	$226	$197
ATTORNEY FEE	$154	$185	$164
CLOSING FEE	$112	.	$112
COMMITMENT FEE	.	.	.
CREDIT-CHECK FEE	$10	$10	$10
LOAN SET-UP FEE	$49	.	$70
MORTGAGE TAX	$258	.	$209
POINTS	.6	1.9	1.2
PROPERTY REPORT FEE	$60	$93	$66
RECORDING FEE	$21	$17	$20
SUBORDINATION FEE	$86	$88	$86
TITLE INSURANCE	$274	$301	$280
TITLE SEARCH	$92	$98	$93

Exhibit 10B

FEES CHARGED FOR CLOSED-END LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ANNUAL FEE	.	.	.	.
APPLICATION FEE	.	.	$109	.
APPRAISAL FEE	$288	$144	$162	$191
ATTORNEY FEE	.	$25	$164	$191
CLOSING FEE	.	.	.	.
COMMITMENT FEE	.	.	.	.
CREDIT-CHECK FEE	$6	.	$12	.
LOAN SET-UP FEE	.	.	.	.
MORTGAGE TAX	.	.	.	.
POINTS	.2	.9	.	1.0
PROPERTY REPORT FEE	.	.	$39	.
RECORDING FEE	$16	$16	$24	$19
SUBORDINATION FEE	$84	.		$68
TITLE INSURANCE	$261	$181	$609	$255
TITLE SEARCH	$87	$71	$121	$108

Exhibit 10C

FEES CHARGED FOR CLOSED-END LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ANNUAL FEE	.	.	.
APPLICATION FEE	.	$83	$99
APPRAISAL FEE	$169	$203	$202
ATTORNEY FEE	$174	$161	$170
CLOSING FEE	.	$53	.
COMMITMENT FEE	.	.	.
CREDIT-CHECK FEE	$18	$7	$6
LOAN SET-UP FEE	$37	$88	.
MORTGAGE TAX	.	.	.
POINTS	.	1.5	.7
PROPERTY REPORT FEE	$55	$76	$64
RECORDING FEE	$24	$15	$24
SUBORDINATION FEE	.	$91	$80
TITLE INSURANCE	$196	$289	$302
TITLE SEARCH	$58	$102	$84

Exhibit 11A

% OF LENDERS CHARGING FEE FOR CLOSED-END LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ANNUAL FEES	0%	0%	0%
APPLICATION FEES	8%	11%	9%
APPRAISAL FEES	80%	89%	82%
ATTORNEY FEES	24%	44%	28%
CLOSING FEES	8%	0%	7%
COMMITMENT FEES	3%	0%	2%
CREDIT CHECK	15%	17%	16%
LOAN SET-UP FEES	10%	11%	10%
MORTGAGE TAX	13%	17%	14%
POINTS	17%	44%	23%
PROPERTY REPORT FEES	20%	17%	19%
RECORDING FEES	76%	89%	78%
SUBORDINATION FEES	19%	17%	18%
TITLE INSURANCE	56%	61%	57%
TITLE SEARCH FEES	41%	56%	44%

Exhibit 11B

% OF LENDERS CHARGING FEE FOR CLOSED-END LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ANNUAL FEES	0%	0%	0%	0%
APPLICATION FEES	0%	10%	18%	6%
APPRAISAL FEES	85%	85%	71%	81%
ATTORNEY FEES	15%	15%	25%	56%
CLOSING FEES	8%	0%	7%	6%
COMMITMENT FEES	0%	0%	0%	6%
CREDIT CHECK	23%	0%	25%	6%
LOAN SET-UP FEES	15%	10%	7%	6%
MORTGAGE TAX	8%	5%	15%	6%
POINTS	38%	25%	0%	19%
PROPERTY REPORT FEES	23%	5%	30%	0%
RECORDING FEES	85%	85%	67%	81%
SUBORDINATION FEES	54%	0%	7%	19%
TITLE INSURANCE	85%	45%	33%	63%
TITLE SEARCH FEES	31%	60%	26%	50%

Exhibit 11C

% OF LENDERS CHARGING FEE FOR CLOSED-END LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ANNUAL FEES	0%	0%	0%
APPLICATION FEES	6%	7%	14%
APPRAISAL FEES	88%	85%	75%
ATTORNEY FEES	24%	34%	21%
CLOSING FEES	6%	10%	4%
COMMITMENT FEES	0%	2%	4%
CREDIT CHECK	24%	12%	18%
LOAN SET-UP FEES	19%	10%	4%
MORTGAGE TAX	0%	10%	25%
POINTS	19%	29%	18%
PROPERTY REPORT FEES	25%	15%	25%
RECORDING FEES	88%	85%	64%
SUBORDINATION FEES	6%	22%	18%
TITLE INSURANCE	50%	61%	54%
TITLE SEARCH FEES	31%	49%	43%

Exhibit 12

BORROWER OPTIONS

OPEN-END LINES (PERCENT ALLOWING)	
INTEREST ONLY PAYMENTS	48.5%
CONVERSION TO FIXED RATE	27.0%
AN INCREASE IN LINE	82.4%
COST OF INCREASING LINE	$246
CLOSED-END LOANS (PERCENT ALLOWING)	
CONVERSION TO FIXED RATE	15.5%

Exhibit 13A

APPLICATION PROCESS FOR OPEN-END LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PERCENT PROCESSED AT BRANCH	33%	43%	35%
AT REGIONAL, MAIN OR CENTRAL	65%	49%	62%
BY MAIL	1%	7%	2%
BY PHONE	2%	1%	2%

Exhibit 13B

APPLICATION PROCESS FOR OPEN-END LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PERCENT PROCESSED AT BRANCH	9%	17%	36%	56%
AT REGIONAL, MAIN OR CENTRAL	91%	80%	59%	44%
BY MAIL	0%	0%	1%	0%
BY PHONE	0%	3%	3%	0%

Exhibit 13C

APPLICATION PROCESS FOR OPEN-END LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PERCENT PROCESSED AT BRANCH	29%	34%	41%
AT REGIONAL, MAIN OR CENTRAL	66%	63%	57%
BY MAIL	1%	3%	2%
BY PHONE	5%	1%	1%

Exhibit 14A

APPLICATION PROCESS FOR CLOSED-END LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PERCENT PROCESSED AT BRANCH	34%	44%	37%
PERCENT AT REGIONAL, MAIN OR CENTRAL	65%	48%	61%
PERCENT BY MAIL	0%	6%	2%
PERCENT BY PHONE	2%	4%	2%
PROCESS	1%	1%	1%
METHOD USED	2%	2%	2%

Exhibit 14B

APPLICATION PROCESS FOR CLOSED-END LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PERCENT PROCESSED AT BRANCH	7%	26%	48%	45%
PERCENT AT REGIONAL, MAIN OR CENTRAL	99%	71%	47%	58%
PERCENT BY MAIL	0%	0%	1%	0%
PERCENT BY PHONE	0%	3%	4%	0%
PROCESS	1%	2%	1%	1%
METHOD USED	2%	2%	2%	2%

Exhibit 14C

APPLICATION PROCESS FOR CLOSED-END LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PERCENT PROCESSED AT BRANCH	24%	43%	37%
PERCENT AT REGIONAL, MAIN OR CENTRAL	72%	54%	62%
PERCENT BY MAIL	1%	3%	0%
PERCENT BY PHONE	8%	2%	1%
PROCESS	1%	1%	2%
METHOD USED	2%	2%	2%

Exhibit 15A

LOAN PROCESSING FOR OPEN-END LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PROCESSING TIME IN DAYS	13	12	13
PERCENT APPROVED	71%	67%	71%
PERCENT CLOSED	84%	90%	85%
TYPE OF APPRAISALS FULL	65%	66%	65%
DRIVE-BY	20%	18%	20%
TAX ASSESSMENT ONLY	7%	5%	7%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	7%	8%	7%
REQUIRE TITLE INSURANCE	68%	65%	68%
OFFER CREDIT LIFE	70%	56%	68%
MAX AMT OF INSURANCE	$60,654	$59,444	$60,475
PERCENT TAKING INSURANCE	23%	17%	22%

Exhibit 15B

LOAN PROCESSING FOR OPEN-END LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PROCESSING TIME IN DAYS	20	9	10	14
PERCENT APPROVED	72%	74%	67%	79%
PERCENT CLOSED	88%	86%	80%	92%
TYPE OF APPRAISALS FULL	64%	64%	56%	70%
DRIVE-BY	9%	16%	35%	14%
TAX ASSESSMENT ONLY	4%	9%	5%	7%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	18%	8%	4%	10%
REQUIRE TITLE INSURANCE	92%	62%	61%	65%
OFFER CREDIT LIFE	46%	90%	69%	59%
MAX AMT OF INSURANCE	$62,500	$50,000	$70,476	$51,273
PERCENT TAKING INSURANCE	17%	20%	34%	8%

Exhibit 15C

LOAN PROCESSING FOR OPEN-END LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PROCESSING TIME IN DAYS	10	12	14
PERCENT APPROVED	73%	72%	68%
PERCENT CLOSED	88%	87%	83%
TYPE OF APPRAISALS FULL	62%	60%	72%
DRIVE-BY	27%	22%	14%
TAX ASSESSMENT ONLY	11%	4%	7%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	1%	10%	7%
REQUIRE TITLE INSURANCE	73%	63%	69%
OFFER CREDIT LIFE	59%	68%	72%
MAX AMT OF INSURANCE	$53,333	$57,885	$65,182
PERCENT TAKING INSURANCE	24%	20%	24%

Exhibit 16A

LOAN PROCESSING FOR CLOSED-END LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PROCESSING TIME IN DAYS	12	14	12
PERCENT APPROVED	70%	68%	69%
PERCENT CLOSED	84%	88%	85%
TYPE OF APPRAISALS FULL	64%	65%	64%
DRIVE-BY	22%	15%	21%
TAX ASSESSMENT ONLY	6%	10%	6%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	7%	10%	8%
REQUIRE TITLE INSURANCE	63%	61%	63%
OFFER CREDIT LIFE	92%	84%	90%
MAX AMT OF INSURANCE	$70,804	$65,000	$69,577
PERCENT TAKING INSURANCE	32%	23%	31%

Exhibit 16B

LOAN PROCESSING FOR CLOSED-END LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PROCESSING TIME IN DAYS	20	8	9	15
PERCENT APPROVED	73%	73%	68%	73%
PERCENT CLOSED	87%	88%	77%	93%
TYPE OF APPRAISALS				
FULL	63%	64%	51%	67%
DRIVE-BY	8%	16%	42%	14%
TAX ASSESSMENT ONLY	4%	12%	1%	9%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	18%	7%	5%	12%
REQUIRE TITLE INSURANCE	92%	55%	50%	64%
OFFER CREDIT LIFE	77%	95%	90%	100%
MAX AMT OF INSURANCE	$71,250	$86,250	$65,625	$53,214
PERCENT TAKING INSURANCE	22%	36%	40%	20%

Exhibit 16C

LOAN PROCESSING FOR CLOSED-END LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PROCESSING TIME IN DAYS	8	12	14
PERCENT APPROVED	72%	72%	66%
PERCENT CLOSED	87%	86%	85%
TYPE OF APPRAISALS			
FULL	61%	60%	69%
DRIVE-BY	29%	24%	14%
TAX ASSESSMENT ONLY	10%	4%	9%
DRIVE BY APPRAISAL AND TAX ASSESSMENT	2%	10%	8%
REQUIRE TITLE INSURANCE	65%	61%	63%
OFFER CREDIT LIFE	88%	95%	87%
MAX AMT OF INSURANCE	$70,417	$67,500	$70,682
PERCENT TAKING INSURANCE	32%	32%	28%

Exhibit 17A

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
OPEN-END LINES

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
USE DEBT-TO-INCOME FORMULA	99%	100%	99%
PERCENT ON GROSS INCOME	39%	40%	39%
PERCENT ON NET INCOME	44%	46%	45%
MAX L-T-V RATIO FOR OWNER RESIDENCE	78%	79%	78%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	69%	68%	69%

Exhibit 17B

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
OPEN-END LINES

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
USE DEBT-TO-INCOME FORMULA	100%	100%	97%	100%
PERCENT ON GROSS INCOME	46%	37%	37%	39%
PERCENT ON NET INCOME	43%	44%	46%	48%
MAX L-T-V RATIO FOR OWNER RESIDENCE	78%	80%	74%	79%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	70%	69%	70%	69%

Exhibit 17C

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
OPEN-END LINES

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
USE DEBT-TO-INCOME FORMULA	100%	100%	97%
PERCENT ON GROSS INCOME	40%	38%	39%
PERCENT ON NET INCOME	43%	46%	43%
MAX L-T-V RATIO FOR OWNER RESIDENCE	76%	79%	78%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	70%	69%	67%

Exhibit 18A

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
CLOSED-END LOANS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
USE DEBT-TO-INCOME FORMULA	100%	100%	100%
PERCENT ON GROSS INCOME	39%	41%	40%
PERCENT ON NET INCOME	44%	46%	45%
MAX L-T-V RATIO FOR OWNER RESIDENCE	78%	80%	79%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	71%	69%	70%

Exhibit 18B

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
CLOSED-END LOANS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
USE DEBT-TO-INCOME FORMULA	100%	100%	100%	100%
PERCENT ON GROSS INCOME	46%	37%	38%	38%
PERCENT ON NET INCOME	43%	43%	46%	50%
MAX L-T-V RATIO FOR OWNER RESIDENCE	80%	80%	75%	80%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	70%	72%	71%	70%

Exhibit 18C

DEBT-TO-INCOME AND LOAN-TO-VALUE RATIOS
CLOSED-END LOANS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
USE DEBT-TO-INCOME FORMULA	100%	100%	100%
PERCENT ON GROSS INCOME	38%	39%	41%
PERCENT ON NET INCOME	39%	47%	43%
MAX L-T-V RATIO FOR OWNER RESIDENCE	78%	79%	78%
MAX L-T-V RATIO FOR NON-OWNER RESIDENCE	72%	71%	68%

Exhibit 19A

OPEN-END LINE BORROWER CHARACTERISTICS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PERCENT OF BORROWERS			
20-34	14%	15%	14%
35-49	54%	53%	53%
50-64	26%	26%	26%
OVER 65	6%	5%	6%
HOUSEHOLD INCOME	$51,520	$50,812	$51,398
NUMBER OF DEPENDENTS	2.8	2.9	2.8
YEARS AT PRESENT JOB	8.7	8.1	8.6
YEARS OF HOME OWNERSHIP	9.6	9.6	9.6
VALUE OF THE HOME	$131,485	$142,632	$133,343
FIRST MORTGAGE BALANCE	$60,122	$52,461	$58,891
AVAILABLE EQUITY	$67,493	$84,062	$70,156

Exhibit 19B

OPEN-END LINE BORROWER CHARACTERISTICS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PERCENT OF BORROWERS 20-34	14%	16%	13%	18%
35-49	53%	54%	53%	54%
50-64	26%	25%	26%	24%
OVER 65	7%	5%	7%	4%
HOUSEHOLD INCOME	$48,444	$51,356	$51,516	$53,194
NUMBER OF DEPENDENTS	2.9	2.6	3.0	2.8
YEARS AT PRESENT JOB	7.6	8.9	8.7	7.7
YEARS OF HOME OWNERSHIP	8.2	10.4	9.8	8.3
VALUE OF THE HOME	$185,139	$95,962	$125,277	$126,732
FIRST MORTGAGE BALANCE	$84,889	$43,089	$61,281	$59,953
AVAILABLE EQUITY	$100,250	$52,872	$62,767	$66,779

Exhibit 19C

OPEN-END LINE BORROWER CHARACTERISTICS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PERCENT OF BORROWERS 20-34	19%	13%	12%
35-49	52%	54%	54%
50-64	24%	26%	27%
OVER 65	5%	6%	6%
HOUSEHOLD INCOME	$54,638	$50,554	$50,920
NUMBER OF DEPENDENTS	3.2	2.8	2.6
YEARS AT PRESENT JOB	9.1	8.8	8.4
YEARS OF HOME OWNERSHIP	9.6	10.1	9.6
VALUE OF THE HOME	$119,462	$135,972	$135,203
FIRST MORTGAGE BALANCE	$55,417	$56,536	$59,081
AVAILABLE EQUITY	$61,500	$76,755	$67,914

Exhibit 20A

CLOSED-END LOAN BORROWER CHARACTERISTICS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
PERCENT OF BORROWERS			
20-34	16%	16%	16%
35-49	53%	48%	52%
50-64	24%	21%	24%
OVER 65	7%	7%	7%
HOUSEHOLD INCOME	$43,339	$43,336	$43,339
NUMBER OF DEPENDENTS	2.9	2.5	2.8
YEARS AT PRESENT JOB	8.8	8.4	8.7
YEARS OF HOME OWNERSHIP	9.3	8.9	9.2
VALUE OF THE HOME	$107,408	$133,484	$113,384
FIRST MORTGAGE BALANCE	$54,994	$52,351	$54,376
AVAILABLE EQUITY	$50,596	$81,132	$57,898

Exhibit 20B

CLOSED-END LOAN BORROWER CHARACTERISTICS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
PERCENT OF BORROWERS				
20-34	14%	17%	15%	20%
35-49	52%	52%	51%	57%
50-64	26%	23%	26%	19%
OVER 65	8%	6%	8%	4%
HOUSEHOLD INCOME	$45,778	$43,137	$44,403	$41,097
NUMBER OF DEPENDENTS	2.9	2.8	3.2	2.2
YEARS AT PRESENT JOB	7.4	9.5	8.5	8.2
YEARS OF HOME OWNERSHIP	8.4	10.4	9.0	6.8
VALUE OF THE HOME	$170,694	$77,967	$114,350	$100,269
FIRST MORTGAGE BALANCE	$82,111	$35,787	$57,800	$50,187
AVAILABLE EQUITY	$88,583	$43,274	$53,567	$50,083

Exhibit 20C

CLOSED-END LOAN BORROWER CHARACTERISTICS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
PERCENT OF BORROWERS			
20-34	18%	16%	14%
35-49	53%	49%	56%
50-64	25%	23%	24%
OVER 65	4%	8%	6%
HOUSEHOLD INCOME	$47,877	$41,153	$44,431
NUMBER OF DEPENDENTS	3.7	2.7	2.6
YEARS AT PRESENT JOB	9.0	9.1	8.2
YEARS OF HOME OWNERSHIP	9.4	9.4	9.4
VALUE OF THE HOME	$96,897	$118,137	$107,006
FIRST MORTGAGE BALANCE	$45,947	$50,287	$58,679
AVAILABLE EQUITY	$43,943	$67,850	$47,154

Exhibit 21A

ACCESS TO HOME EQUITY OPEN-END LINES OF CREDIT
PERCENT OF INSTITUTIONS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
ACCESS CREDIT THROUGH CREDIT CARD	13%	6%	12%
ACCESS CREDIT THROUGH CHECKS-CHECKING ACCTS	99%	94%	98%
ACCESS CREDIT THROUGH BANK CHECK	55%	50%	54%
ACCESS CREDIT THROUGH ATM	23%	6%	20%
ACCESS CREDIT THROUGH TELEPHONE	36%	11%	31%
ACCESS CREDIT THROUGH OVERDRAFT PROTECTION	29%	11%	25%
ACCESS CREDIT THROUGH DEBIT CARDS	13%	0%	11%
ACCESS CREDIT THROUGH PERSONAL WITHDRAWALS	63%	44%	59%
OPEN - # OF TRANSACTIONS	11	10	11
OPEN - TOTAL $ OF TRANSACTIONS PER ACCOUNT	$7,642	$8,980	$7,875

Exhibit 21B

ACCESS TO HOME EQUITY OPEN-END LINES OF CREDIT
PERCENT OF INSTITUTIONS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
ACCESS CREDIT THROUGH CREDIT CARD	0%	29%	6%	14%
ACCESS CREDIT THROUGH CHECKS-CHECKING ACCTS	100%	95%	100%	100%
ACCESS CREDIT THROUGH BANK CHECK	77%	52%	44%	45%
ACCESS CREDIT THROUGH ATM	38%	24%	22%	9%
ACCESS CREDIT THROUGH TELEPHONE	38%	48%	34%	14%
ACCESS CREDIT THROUGH OVERDRAFT PROTECTION	38%	29%	28%	18%
ACCESS CREDIT THROUGH DEBIT CARDS	23%	14%	13%	0%
ACCESS CREDIT THROUGH PERSONAL WITHDRAWALS	83%	76%	50%	64%
OPEN - # OF TRANSACTIONS	7	9	12	13
OPEN - TOTAL $ OF TRANSACTIONS PER ACCOUNT	$9,521	$5,489	$7,907	$9,053

Exhibit 21C

ACCESS TO HOME EQUITY OPEN-END LINES OF CREDIT
PERCENT OF INSTITUTIONS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
ACCESS CREDIT THROUGH CREDIT CARD	14%	7%	17%
ACCESS CREDIT THROUGH CHECKS-CHECKING ACCTS	95%	98%	100%
ACCESS CREDIT THROUGH BANK CHECK	59%	51%	53%
ACCESS CREDIT THROUGH ATM	14%	24%	19%
ACCESS CREDIT THROUGH TELEPHONE	41%	39%	17%
ACCESS CREDIT THROUGH OVERDRAFT PROTECTION	32%	22%	28%
ACCESS CREDIT THROUGH DEBIT CARDS	9%	12%	11%
ACCESS CREDIT THROUGH PERSONAL WITHDRAWALS	77%	65%	42%
OPEN - # OF TRANSACTIONS	10	11	11
OPEN - TOTAL $ OF TRANSACTIONS PER ACCOUNT	$7,689	$11,755	$4,594

Exhibit 22A

DELINQUENT DOLLARS AS A PERCENT OF OUTSTANDING
LINE OR LOAN DOLLARS

	TYPE OF INSTITUTION		OVERALL
	COMMERCIAL BANKS	THRIFTS	
TOTAL DELINQUENT CONSUMER LOANS	2.33%	3.85%	2.63%
TOTAL DELINQUENT OPEN-END LINES	1.11%	2.33%	1.36%
30 TO 60 DAYS	.60%	1.43%	.76%
60 TO 90 DAYS	.32%	.19%	.29%
OVER 90 DAYS	.31%	.49%	.34%
TOTAL DELINQUENT CLOSED-END LOANS	2.71%	6.09%	3.86%
30 TO 60 DAYS	1.46%	3.24%	2.01%
60 TO 90 DAYS	.33%	.82%	.48%
OVER 90 DAYS	.61%	1.40%	.88%

Exhibit 22B

DELINQUENT DOLLARS AS A PERCENT OF OUTSTANDING
LINE OR LOAN DOLLARS

	REGION OF THE UNITED STATES			
	WEST	MIDWEST	NORTHEAST	SOUTH
TOTAL DELINQUENT CONSUMER LOANS	4.09%	1.75%	3.08%	2.08%
TOTAL DELINQUENT OPEN-END LINES	.83%	.87%	1.29%	1.78%
30 TO 60 DAYS	.42%	.57%	.57%	1.21%
60 TO 90 DAYS	.18%	.24%	.49%	.15%
OVER 90 DAYS	.16%	.17%	.39%	.37%
TOTAL DELINQUENT CLOSED-END LOANS	8.04%	1.60%	3.39%	1.85%
30 TO 60 DAYS	4.48%	.92%	1.83%	.70%
60 TO 90 DAYS	.72%	.15%	.45%	.36%
OVER 90 DAYS	.74%	.35%	.98%	.58%

Exhibit 22C

DELINQUENT DOLLARS AS A PERCENT OF OUTSTANDING
LINE OR LOAN DOLLARS

	ASSET SIZE		
	LESS THAN 1 BILL	1 BILL TO 5 BILL	OVER 5 BILL
TOTAL DELINQUENT CONSUMER LOANS	3.55%	2.08%	2.63%
TOTAL DELINQUENT OPEN-END LINES	1.32%	1.39%	1.34%
30 TO 60 DAYS	1.00%	.68%	.70%
60 TO 90 DAYS	.72%	.21%	.18%
OVER 90 DAYS	.45%	.25%	.40%
TOTAL DELINQUENT CLOSED-END LOANS	7.33%	3.08%	3.45%
30 TO 60 DAYS	4.91%	1.30%	1.82%
60 TO 90 DAYS	.84%	.36%	.49%
OVER 90 DAYS	.73%	.98%	.82%

Exhibit 23

FORECLOSED OPEN-END LINES

NUMBER OF FORECLOSED OPEN-END LINES	
Mean	12
TOTAL DOLLAR AMOUNT OF FORECLOSED OPEN-END LINES	
Mean	$626,113
Median	$111,235
AVERAGE FORECLOSED OPEN-END LINES	
Mean	$55,754
Median	$32,000
FORECLOSURE AS A % OF FORECLOSED OPEN-END LINES	
Mean	95.6%
Median	100.0%
PERCENT OF OPEN-END LINES FORECLOSED	
Mean	.2961%
Median	.1000%
NUMBER OF OPEN-END LINES - CHARGED OFF	
Mean	34
Median	7
$ OF OPEN-END LINES - CHARGED OFF	
Mean	$803,700
Median	$136,413

Exhibit 24

FORECLOSED CLOSED-END LOANS

NUMBER OF FORECLOSED CLOSED-END LOANS	
Mean	20
TOTAL DOLLAR AMOUNT OF FORECLOSED CLOSED-END LOANS	
Mean	$757,351
Median	$124,875
AVERAGE FORECLOSED CLOSED-END LOANS	
Mean	$726,284
Median	$26,986
FORECLOSURE AS A % OF FORECLOSED CLOSED-END LOANS	
Mean	56.8%
Median	72.8%
PERCENT OF CLOSED-END LOANS FORECLOSED	
Mean	3.7940%
Median	.3090%
NUMBER OF CLOSED-END LOANS - CHARGED OFF	
Mean	117
Median	22
$ OF CLOSED-END LOANS - CHARGED OFF	
Mean	$967,282
Median	$233,958

Exhibit 25

ADJUSTMENT CAPS
OPEN-END LINES

HAVE ANNUAL ADJUSTMENT CAP	14.0%
HAVE LIFETIME RATE FLOOR	33.0%
LIFETIME INTEREST RATE FLOOR	8.6%
LIFETIME INTEREST RATE CEILING	18.1%

Exhibit 26

ADJUSTMENT CAPS
CLOSED-END LOANS

HAVE ANNUAL ADJUSTMENT CAP	7.0%
HAVE LIFETIME RATE FLOOR	31.0%
LIFETIME INTEREST RATE FLOOR	8.2%
HAVE LIFETIME RATE CEILING	60.0%
LIFETIME INTEREST RATE CEILING	18.6%

Exhibit 27

USE OF SECONDARY MARKETS
PERCENT OF LENDERS

SELL HOME EQUITY LINES	7.8%
SELL HOME EQUITY LOANS	11.0%
BUY HOME EQUITY LINES	21.6%
BUY HOME EQUITY LOANS	20.9%
SECURITIZE EQUITY LINES	9.1%
SECURITIZE EQUITY LOANS	10.3%
PLANNING TO SECURITIZE OPEN-END LINES	5.7%
PLANNING TO SECURITIZE CLOSED-END LOANS	6.7%

Exhibit 28

PERIODIC REVIEW

PERIODIC REVIEWS OF EQUITY LINES	84.7%
FREQUENCY OF REVIEWS	
ANNUAL	60%
EVERY TWO YEARS	10%
OTHER	30%
USE ACCOUNT MONITORING SYSTEM	58.1%
METHOD OF ACCOUNT MONITORING	
VENDOR CREDIT REPORT	49%
INTERNAL REPORT	51%

APPENDIX I

REGIONAL CLASSIFICATION

Of 106 respondents, 15 did business in more than one region and their responses were not included in the regional analysis.

Northeast – 32 respondents
CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT

Midwest – 22 respondents
IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI, WV

Southeast – 22 respondents
AL, AR, DC, FL, GA, LA, MS, NC, OK, SC, TN, TX, VA

West – 15 respondents
AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY

APPENDIX 2

SECTION I
ABOUT YOUR INSTITUTION

		Bill.	Mill.	Thou.	Hund.
1.	Your institution's asset size	$_____,	_____,	_____,	_____

2. Number of branches or banks _____

3. Are you primarily a: (please check only one)

( ) commercial bank ( ) mortgage company
( ) finance company ( ) savings bank
( ) brokerage house ( ) savings & loan association
( ) credit union
( ) other; If other, what are you? _____

4. In what region does your financial institution make home equity loans? (check more than one if you conduct a significant amount of business in more than one region)

___ West (AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY)
___ Midwest (IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, WI, WV)
___ Northeast (CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT)
___ Southeast (AL, AR, DC, FL, GA, LA, MS, NC, OK, SC, TN, TX, VA)

5. Your institution's growth in assets (1991 vs. 1990): _____%

6. Your institution's return on assets (ROA) in 1991: _____%

7. Your institution's return on equity (ROE) in 1991: _____%

8. Do you offer open-end home equity lines? ___ No ___ Yes If so, in what year did you begin open-end home equity lending? 19___

9. Do you offer closed-end home equity loans? ___ No ___ Yes If so, in what year did you begin closed-end home equity lending? 19___

SECTION II
TOTAL CONSUMER CREDIT OUTSTANDING
(Excluding Unsecured Credit Cards)

		Bill.	Mill.	Thou.	Hund.
1.	Total dollar **amount** of all consumer credit outstanding (excluding unsecured credit cards) as of year-end 1991. Please include your home equity, personal lines of credit, consumer mortgages, boat loans, vacation loans, etc.	$_____,	_____,	_____,	_____
2.	Total **number** of all delinquent (over 30 days) accounts of consumer credit (excluding unsecured credit cards) as of year-end 1991.	#_____,	_____,	_____	
3.	Total dollar **amount** of all delinquent (over 30 days) accounts of consumer credit (excluding unsecured credit cards) as of year-end 1991.	$_____,	_____,	_____,	_____
4	How many **total** consumer credit accounts (excluding unsecured credit cards) did you charge-off in 1991?	#_____,	_____,	_____	
5.	How much were the consumer credit (excluding unsecured credit cards) **net charge-off** in 1991?	$_____,	_____,	_____,	_____
6.	What **percent** of the consumer credit charge-offs (excluding unsecured credit cards) were the result of a personal bankruptcy?	_____%			

SECTION III
HOME EQUITY LENDING SECTION

There are two columns for each question in this section. The first column should be used for responses about your **open-end lines** and the second is for your **closed-end loans**. Please provide information for both types of lending. If you do not offer one or the other, please leave those columns blank.

	OPEN-END LINES				CLOSED-END LOANS			
	Bill.	Mill.	Thou.	Hund.	Bill.	Mill.	Thou.	Hund.
1. Total **number** of open-end home equity lines and closed-end loans as of year-end 1991.		#_____,	_____,	_____		#_____,	_____,	_____
2. Total **dollar** amount of approved accounts as of year-end 1991.	$_____,	_____,	_____,	_____	$_____,	_____,	_____,	_____
3. Total **number** of outstanding (in use) open-end home equity lines as of year-end 1991.		#_____,	_____,	_____			N.A.	
4. Total **dollar** amount of outstanding (in use) open-end home equity lines as of year-end 1991.	$_____,	_____,	_____,	_____			N.A.	
5. Total **number** of **new** open-end home equity lines and **new** closed-end loans originated in calendar year 1991.		#_____,	_____,	_____		#_____,	_____,	_____
6. Total **dollar** amount of open-end lines and closed-end loans **originated** in calendar year 1991.	$_____,	_____,	_____,	_____	$_____,	_____,	_____,	_____

		OPEN-END LINES				CLOSED-END LOANS			
		Bill.	Mill.	Thou.	Hund.	Bill.	Mill.	Thou.	Hund.
7.	**Percentage** increase (decrease) in your open-end and closed-end lending during 1991.			_____% increase _____% decrease				_____% increase _____% decrease	
8.	Total **number** of open-end home equity lines and closed-end loans outstanding that were delinquent by the amount of days shown at year-end 1991.		30 days #_____,	_____			30 days #_____,	_____	
			60-90 days #_____,	_____			60-90 days #_____,	_____	
			90 + days #_____,	_____			90 + days #_____,	_____	
9.	Total **amount** of open-end home equity lines and closed-end loans outstanding that were **delinquent** by the amount of days shown at year-end 1991.	30 days $_____,	_____,	_____		30 days $_____,	_____,	_____	
		60-90 days $_____,	_____,	_____		60-90 days $_____,	_____,	_____	
		90 + days $_____,	_____,	_____		90 + days $_____,	_____,	_____	
10.	In 1991, what was the **dollar** amount of open-end lines and closed-end loans that were classified as **non-performers** (more than 90 days delinquent)?		$_____,	_____,	_____		$_____,	_____,	_____
11.	What **percentage** of home equity loans outstanding were represented by **non-performers** for open-end lines and closed-end loans?			_____%				_____%	

		OPEN-END LINES				CLOSED-END LOANS			
		Bill.	Mill.	Thou.	Hund.	Bill.	Mill.	Thou.	Hund.
12.	In 1991, how **many** open-end lines and closed-end loans concluded in **foreclosure** during the course of the year?		#_____,	_____,	_____		#_____,	_____,	_____
13.	In 1991, what was the **dollar** amount of open-end lines and closed-end loans that resulted in **foreclosure** during the course of the year?	$_____,	_____,	_____,	_____	$_____,	_____,	_____,	_____
14.	What percent of the line was outstanding at the time of **foreclosure?**				_____%				_____%
15.	How **many** open-end lines and closed-end loans were **charged-off** in 1991?		#_____,	_____,	_____		#_____,	_____,	_____
16.	What was the **dollar** amount of open-end lines and closed-end loans **charged-off** (net) in 1991?		$_____,	_____,	_____		$_____,	_____,	_____
17.	How many foreclosures in bankruptcy have you had that included "cramdown"?		#_____,	_____,	_____		#_____,	_____,	_____
18.	What was the dollar loss per incident?		$_____,	_____,	_____		$_____,	_____,	_____
19.	In 1991, what **percent** of total dollars of line/loan **charge-offs** were due to personal bankruptcy.				_____%				_____%

		OPEN-END LINES				CLOSED-END LOANS			
		Bill.	Mill.	Thou.	Hund.	Bill.	Mill.	Thou.	Hund.
20.	In 1990, what **percent** of total dollars of line/loan **charge-offs** were due to personal bankruptcy.				_____%				_____%
21.	**Minimum** home equity line and loan.			$_____,	_____			$_____,	_____
22.	**Maximum** home equity line and loan.			$_____,	_____			$_____,	_____
23.	Open-end home equity borrowers **access** credit through the following: (check and complete where applicable)	Credit Card Checks/Checking Accounts Bank Check (counter check) ATM Telephone Draft Account (Credit Union) Overdraft protection on Checking Accounts Debit Cards Personal Withdrawals at Branch Other (Please specify) _____						___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No ___ Yes ___ No	
24.	Which method of **access** is most frequently used by your borrowers?	_____							
25.	What is the average **number** of **access transactions** per active account during 1991?		#_____,	_____,	_____				
26.	**Per active account during 1991**, what was the average **total dollar** amount of transactions? (Total for year per account)			$_____,	_____			$_____,	_____
27.	Are interest only payments permitted?		_____ Yes	_____ No					N.A

SECTION IV
APPROVAL PROCESS

		OPEN-END LINES	CLOSED-END LOANS
1a.	Do you use a **debt-to income** formula in the approval process?	____ Yes ____ No	____ Yes ____ No
b.	What is the **percent** on the gross income? (if applicable)	_____%	_____%
c.	What is the **percent** on the net income? (if applicable)	_____%	_____%
2.	In the approval process, do you use: (please check only one)	credit scoring ( ) judgmental ( ) combination ( )	credit scoring ( ) judgmental ( ) combination ( )
3a.	What percent applications processed?	branch level ___% regional or main office ___% central ___% by mail ___% by phone ___% other (please specify) ___% _____ 100 %	branch level ___% regional or main office ___% central ___% by mail ___% by phone ___% other (please specify) ___% _____ 100 %
b.	Is the process:	manual ( ) automated ( )	manual ( ) automated ( )
4.	**Average "turnaround"** or processing time for home equity lines and loans from applications to final approval in calendar days.	_____ days	_____ days
5.	What **percent** of applications are approved?	_____%	_____%
6.	What **percentage** of approved applications actually close?	_____%	_____%

	OPEN-END LINES	CLOSED-END LOANS
7. What is your **maximum loan-to-value** ratio for owner occupied residence?	_____%	_____%
8. What is your **maximum** loan-to-value ratio for a non-owner occupied residence?	_____%	_____%
9. In your approval process, what **percent** of your appraisals are:		
Full (complete inspection of property)	_____%	_____%
"Drive-by" appraisals	_____%	_____%
Tax assessment only	_____%	_____%
"Drive by appraisals" and tax assessment	_____%	_____%
Other (specify) _____ _____	_____%	_____%
	Total 100 %	**Total 100 %**
10. Do you require title insurance?	_____ Yes _____ No	_____ Yes _____ No
11. Do you offer credit life insurance?	_____ Yes _____ No	_____ Yes _____ No
If yes, maximum amount insurance.	$_____, _____, _____	$_____, _____, _____
12. What **percent** of your customers take credit life insurance?	_____%	_____%

13a. For **open-end lines**, what fees are currently passed on to the customer. If you have different fees for different situations, please enter the range of those fees.

Yes	No		Estimated Fee
___	___	annual	$_____
___	___	per transaction	$_____
___	___	application	$_____
___	___	appraisal	$_____
___	___	attorney's fees	$_____
___	___	closing	$_____
___	___	commitment fee	$_____
___	___	credit-check	$_____
___	___	loan set-up	$_____
___	___	mortgage tax	$_____
___	___	points	____ points
___	___	property report	$_____
___	___	recording fee	$_____
___	___	subordination	$_____
___	___	title insurance	$_____
___	___	title search	$_____
___	___	other (please specify)_____	$_____

13b. **Average** total fees per borrower. $____.____

13c. What percent of lines originated in 1991 had the majority of the fees waived? _____%

14a. For **closed-end loans**, what fees are currently passed on to the customer. If you have different fees for different situations, please enter the range of those fees.

Yes	No		Estimated Fee
___	___	annual	$_____
___	___	application	$_____
___	___	appraisal	$_____
___	___	attorney's fees	$_____
___	___	closing	$_____
___	___	commitment fee	$_____
___	___	credit-check	$_____

___	___	flood certificate	$_____
___	___	loan set-up	$_____
___	___	mortgage tax	$_____
___	___	points	____ points
___	___	property report	$_____
___	___	recording fee	$_____
___	___	subordination	$_____
___	___	title insurance	$_____
___	___	title search	$_____
___	___	other (please specify)_____	$_____

14b. **Average** total fees per borrower? $_____. _____

14c. What percent of the loans originated in 1991 had the majority of the fees waived? _____%

SECTION V
VARIABLE RATE HOME EQUITY

Skip to Section VI if you have no variable rate line or loans

1. What percent of your open-end lines and closed-end loans are variable rate?

OEL	CEL
_____	_____

2. Which **Index** do you use and what is the spread in basis points over that index for your variable rate home equity product? (Please check the appropriate index. OEL is for open-end lines and CEL is for closed-end loans. Use average spread if it varies.)

OEL	CEL		OEL	CEL	
( )	( )	The Wall Street Journal prime rate	____	____	basis point spread
( )	( )	A bank prime rate	____	____	basis point spread
( )	( )	30-day Treasury Bill rate	____	____	basis point spread
( )	( )	90-day (or 13 week) Treasury Bill rate	____	____	basis point spread
( )	( )	180-day (6 month) Treasury Bill rate	____	____	basis point spread
( )	( )	52-week Treasury Bill rate	____	____	basis point spread
( )	( )	Federal Reserve Discount rate	____	____	basis point spread
( )	( )	Other: _____	____	____	basis point spread

		OPEN-END LINES	CLOSED-END LOANS
2.	Frequency of interest rate adjustments? (Please check only one.)	Daily (i.e. when index changes) ( ) Weekly ( ) Monthly ( ) Quarterly ( ) Annually ( ) Other (specify)_____ ( ) Fixed rate only ( )	Daily (i.e. when index changes) ( ) Weekly ( ) Monthly ( ) Quarterly ( ) Annually ( ) Other (specify)_____ ( ) Fixed rate only ( )
3a.	Do you have annual adjustment cap?	_____ Yes _____ No	_____ Yes _____ No
b.	If so, what is it?	_____% change	_____% change
4a.	Do you have a lifetime interest rate floor?	_____ Yes _____ No	_____ Yes _____ No
b.	If so, what is it?	_____% (minimum rate)	_____% (minimum rate)
5a.	Do you have a lifetime interest rate ceiling?	_____ Yes _____ No	_____ Yes _____ No
b.	Is so, what is it?	_____% (minimum rate)	_____% (minimum rate)

SECTION VI
SERVICING

		OPEN-END LINES	CLOSED-END LOANS
1a.	Do you conduct periodic reviews of your home equity lines for credit purposes?	_____ Yes _____ No	N.A.
b.	If yes, how often?	_____	N.A.
2a.	Do you use any type of account monitoring system?	_____ Yes _____ No	N.A.
b.	If so, what is it?	_____	N.A.
3.	During 1991, what was your customer's primary use for their home equity credit?	_____	_____

4. Approximately, what **percent** of your open-end lines and closed-end loans are used for the following purposes:

	OPEN-END LINES	CLOSED-END LOANS
Automobile purchase	_____ %	_____ %
Business expense	_____ %	_____ %
Debt consolidation	_____ %	_____ %
Education/college expenses	_____ %	_____ %
Home improvement	_____ %	_____ %
Investment purpose	_____ %	_____ %
Medical expenses	_____ %	_____ %
Tax **payment**	_____ %	_____ %
Vacation	_____ %	_____ %
Other (specify)_____	_____ %	_____ %
_____	Total **100 %**	Total **100 %**
_____ Don't Know		_____ Dont' Know

		OPEN-END LINES		CLOSED-END LOANS	
5.	Do you buy home equity lines or loans?	_____ Yes	_____ No	_____ Yes	_____ No
6.	Do you sell home equity lines or loans?	_____ Yes	_____ No	_____ Yes	_____ No
7a.	Do you "securitize" your home equity lines or loans?	_____ Yes	_____ No	_____ Yes	_____ No
b.	If so, who do you use?	_____		_____	
8.	If you do not presently "securitize" your home equity lines or loans, are you planning to do so during 1992?	_____ Yes	_____ No	_____ Yes	_____ No
9.	Does the borrower have the option to convert all or part of the line or loan from variable to fixed rate?	_____ Yes	_____ No	_____ Yes	_____ No
10a	Does the borrower have the option to increase the line?	_____ Yes	_____ No		N.A.
b.	If so, what is the cost of increasing the line?	$_____, _____			N.A.

SECTION VII
ABOUT THE BUSINESS

		OPEN-END LINES	CLOSED-END LOANS
1.	What **percent** of your borrowers are in the following age brackets? (Use your best estimates)	20 to 34 years _____% 35 to 49 years _____% 50 to 64 years _____% 65 and over _____%	20 to 34 years _____% 35 to 49 years _____% 50 to 64 years _____% 65 and over _____%
2.	**Average** total household income.	$_____, _____	$_____, _____
3.	**Average** years of ownership of home by borrowers.	_____ Years	_____ Years
4.	**Average** appraised value of the home.	$_____, _____	$_____, _____
5.	**Average** first mortgage balance on the home.	$_____, _____	$_____, _____
6.	**Average** years at current job by primary provider of family income.	_____ Years	_____ Years
7.	**Average** number of dependents (including spouse).	_____	_____

8. How important are the following marketing activities to your home equity loan program? (Please rate each choice from 1 to 6 where 1 is **not** important and 6 is **very** important.)

____	Newspaper	____	Billboards
____	Direct mail	____	Brochures
____	Statement stuffers	____	Telemarketing
____	Television	____	Realtor referrals
____	Magazines	____	Construction company referrals
____	Radio	____	Employee incentive
____	Word of mouth	____	No or low closing costs
____	Cross-selling within	____	Low introductory interest rate
____	Community events or home shows	____	Accountant or attorney referrals
____	Other (please specify)_____		

9. If you had to choose one of the above, which would be the most important to your home equity program?

_____

	OPEN-END LINES	CLOSED-END LOANS
10. What is your **total origination cost** (including credit bureau, advertising, etc.)? (Use estimate or average if exact figures are not available)	$_____, _____, _____	$_____, _____, _____
Or, what is it per line/loan?	$_____ (per line)	$_____ (per loan)
11. What were your home equity lending **marketing and advertising costs** in 1991?	$_____, _____, _____	$_____, _____, _____ -or- **Overall total** $_____, _____, _____
12. What is your **total servicing cost** (including collections, customer service, item processing, etc.)?	$_____, _____, _____	$_____, _____, _____
Or, what is it per line/loan?	$_____ (per line)	$_____ (per loan)

Thank you for completing the McIntire School of Commerce, University of Virginia, and Consumer Bankers Association's Home Equity Lending Survey.

Consumer Bankers Association

The Consumer Bankers Association was founded in 1919 to provide a progressive voice for the retail banking industry. CBA represents approximately 800 federally insured banks and thrift institutions that hold more than 80 percent of all consumer deposits, and more than 70 percent of all consumer credit held by federally insured depository institutions.

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